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Youth Guarantee Implementation Plan

2023-2026

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List of acronyms

ARDA	Accredited regional development agencies
AEP	Active employment policy
CGC	Career guidance and counselling
CRCSI	Central Register of Compulsory Social Insurance
CSOs	Civil society organisations
DAS	Development Agency of Serbia
IEP	Individual employment plan
IEQE	Institute for Evaluation of the Quality of Education
IIE	Institute for Improvement of Education
ILO	International Labour Organization
Implementation Plan	Youth Guarantee Implementation Plan 2023-2026
IPA	Instrument for Pre-Accession Assistance
LFS	Labour Force Survey
LMIS	Labour market information system
LSGUs	Local self-government Units
MoLEVSA	Ministry of Labour, Employment, Veteran and Social Affairs
MoTY	Ministry of Tourism and Youth
NAoYO	National Association of Youth Offices
NAYWP	National Association of Youth Work Practitioners
NEET	Not in Education, Employment, or Training
NES	National Employment Service
NSCO	National Standard Classification of Occupations
NQFS	National Qualifications Framework of the Republic of Serbia
NYCS	National Youth Council of Serbia
ODENQF	Office for Dual Education and National Qualifications Framework
OP	Operational Programme
PUE	Preschool upbringing and education
PFT	Practical forms of teaching
PROAEA	Publicly recognised organisers of adult education activities
PWDs	Persons with disabilities
RPL	Recognition of prior learning
QA	Qualifications Agency
SCTM	Standing Conference of Towns and Municipalities
SDC	Swiss Agency for Development and Cooperation
SORS	Statistical Office of the Republic of Serbia
YG	Youth Guarantee
YO	Youth Office

1. INTRODUCTION

In July 2021, the Republic of Serbia confirmed *Western Balkans Declaration on ensuring sustainable labour market integration of young people* and accepted that it will work on the gradual introduction of the Youth Guarantee, allocate the necessary human and financial resources, and develop a Youth Guarantee Implementation Plan. The confirmation of this declaration followed after the European Commission adopted a comprehensive Economic and Investment Plan for the Western Balkans in October 2020, with the aim of promoting the long-term economic recovery of the region, supporting the green and digital transition, regional integration and convergence with the European Union. The plan defined ten investment flagships, one of which is the Youth Guarantee, within the area of human capital development. Economic and Investment Plan for the Western Balkans envisages that the Youth Guarantee in the Western Balkans be implemented according to the model applied at the EU level, i.e. in accordance with the Council Recommendation on "A Bridge to Jobs – Reinforcing the Youth Guarantee" and proposes its introduction in four phases: I – Implementation plan; II - Preparatory work; III – Pilot phase; IV – Progressive/General deployment: implementation in more regions/countrywide. In the Economic Reform Programme 2023-2025, the most important strategic document of the Republic of Serbia in the economic dialogue with the European Commission and the Member States of the European Union, one of the key challenges was identified as increasing employment, especially among young people, women and vulnerable groups, and social protection against poverty. In order to facilitate the transition to the labour market for young people and to encourage their employment, the need to *Establishment of a framework for the introduction of the Youth Guarantee in the Republic of Serbia* was recognized. In this way, the Youth Guarantee, as one of the structural reforms, is classified as a priority and means a clear commitment to solving this challenge at the highest level. This reform was accompanied by reforms of the education system, especially those that promote the appropriate supply of relevant knowledge, skills and competences in order to eliminate the existing labour force mismatch (*Qualifications oriented to the needs of the labour market*).

The Youth Guarantee is a programme that responds to youth unemployment through the cooperation of various sectors and social partners and entails that young people up to the age of 30 receive a quality offer for a job, continued education or traineeship within four months of entering the unemployment status or leaving or completing formal education. Despite the achieved economic growth and positive trends in the basic indicators of the labour market in the Republic of Serbia, the situation of young people in the labour market is still worrying and requires the need for systemic intervention in order to remove the barriers that stand between young people and the labour market.

The Youth Guarantee is firstly conditioned upon the implementation of certain reforms, which are recognised as a necessary prerequisite for improving the position of young people. Thus, within the Implementation Plan, reforms and interventions are recognised that contribute to the strengthening of the position of young people in the labour market through the system of formal education and thus facilitate their transition into the world of work and prevent entry into NEET status, as well as the development of certain curative measures for young people who are not in education, who are unqualified or with a low level of qualifications, and who should be enabled to acquire the knowledge and skills needed for inclusion in the labour market. The development of the career guidance and counselling system (CGC) is especially highlighted, taking into account its importance for young people when choosing the appropriate education in relation to the profession they want to pursue in life, for the mobility and progression in the

education system, for the transition to the labour market, as well as for the promotion of lifelong learning and career management. Looking at the basic indicators of the labour market, it can be seen that the problem of youth activity persists, and therefore it is necessary to work on a model for reaching those young people who are passive, demotivated and who do not turn to institutions for support themselves, as well as on the recognition and promotion of outreach activities in partnership with civil society organisations (CSOs). The provision of the Youth Guarantee services - preparation and quality offers requires changes to the legal framework in the field of employment, as well as reforms in the way of working and the functional organisation of the National Employment Service (NES). Finally, the adoption of the Law on Traineeship, which will harmonize traineeship with the quality criteria established by the 2014 Council Recommendation should enable young people to gain quality work experience in safe and fair conditions.

The biggest part of the burden of implementing the Youth Guarantee, in terms of its coordination, implementation and monitoring, is on the Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA) as the Youth Guarantee Coordinator and the NES as the main implementing partner. The Ministry of Education (and other competent authorities in the education sector) is primarily responsible for the early intervention phase, while the Ministry of Tourism and Youth (MoTY) will be responsible for the development and management of the outreach phase.

The estimated costs of policy reforms and initiatives (measures) planned in the Implementation Plan amount to about 4.5 billion RSD (around 37.7 million EUR). Detailed information on the funds and financing sources is given in Chapter 2.2.3.

1.1. *Context*

The Republic of Serbia has made significant progress towards achieving macroeconomic stability and sustainable economic growth in the past few years. The successful coordination of monetary and fiscal policy, as well as the consistent implementation of fiscal consolidation and structural adjustments, contributed to the improvement of the business and investment climate. The Republic of Serbia successfully coped with the health and economic crisis caused by the pandemic, recording a cumulative real GDP growth of 6.6% in the two pandemic years (-0.9% in 2020 and 7.5% in 2021) owing to, among other things, a timely and comprehensive package of economic measures (in the amount of 17.3% of GDP) as support for the economy and the population. Economic activity in the Republic of Serbia records solid dynamics of 2.3% real GDP growth in 2022, despite growing geopolitical tensions, the conflict in Ukraine, as well as rising energy prices. However, significant negative impact of these factors on domestic economic trends is expected with a certain time delay. Labour market indicators have also improved as jobs and wages have been preserved, both in the private and public sectors. The labour market showed signs of recovery in 2022, with a higher activity rate (by 2.6 percentage points compared to 2019) and employment rate (by 3.3 percentage points) and a lower unemployment rate (by 1.8 percentage points) of the population older than 15

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years of age.¹ The activity rate of the population aged 15 and over was 55.5%, the employment rate was 50.3%, while the unemployment rate was 9.4% in 2022.

Improving the position of unemployed persons in the labour market, and especially the category of hard-to-employ persons who are on the National Employment Service registry, is the focus of the employment policy in the Republic of Serbia. The categories of hard-to-employ unemployed persons are determined extensively and include a large number of persons who differ from each other according to the level of employability they possess, and thus it is necessary to ensure that the financial² measures of the active employment policy include only those members of these categories who need such support in order to be integrated into the labour market.

On the National Employment Service registry, according to data for the year 2022, there were on average about 12,000 unemployed persons with disabilities (PWDs), actively looking for work, of whom 43.5% were women. According to the level of education, 54.1% have completed secondary education, 38.2% are persons without qualifications, and only 7.7% of unemployed PWDs have higher education. According to the age structure, only 10.6% of PWDs on the National Employment Service registry are young people under 30 years of age. The participation of PWDs involved in the financial measures of the active employment policy in 2022 was 8.4% in relation to the total number of persons involved. The participation of PWDs included in financial measures in relation to the number of PWDs on the National Employment Service registry was 19.4%.

On the National Employment Service registry, there were on average about 28,000 unemployed persons who declared themselves as members of the Roma national minority, of whom 50.8% were women, as shown by data for 2022. The high participation of people without qualifications, of 88.5%, is the main feature of the educational structure of this category of the unemployed. 10.5% have secondary education, and only 1% of Roma have higher education. According to their age, 27.8% are young people under 30 years old. The long-term unemployment of Roma on the National Employment Service registry is 69.3%. The participation of Roma involved in the financial measures of the active employment policy, based on the data for 2022, is 8.5% of the total number of involved persons. The participation of Roma included in financial measures in relation to the number of Roma on the National Employment Service registry is 8.4%.

Youth employment remains a problem in the Republic of Serbia. For young people aged 15-29, the activity rate was 50%, the employment rate was 41.5%, while the unemployment rate was 17.1% in 2022. The activity rate gender gap for the age category 15-29 years is 14.4 percentage points, with an employment rate of 12.4 percentage points, and the unemployment rate is 1.2 percentage points³. The stated data are not comparable with the period before 2021 due to a change in methodology, whereby the data for this age cohort have not been revised.

¹ Source: Statistical Office of the Republic of Serbia, Labour Force Survey

² Financial measures of active employment policy include employment subsidies, additional education and training, public works, and the Youth Employment Promotion Programme "My First Salary".

³ Source: Statistical Office of the Republic of Serbia, Labour Force Survey

Despite interventions in recent years, there are still areas that require attention. The largest share of investment in education (3.3% of GDP in 2021) goes to staff salaries (92% in the total budget). Coverage of preschool education and upbringing (PEU) in 2020/2021 was 55.5% for the ages from 6 months to 6.5 years, with a lower coverage of children from vulnerable households (10.5% of children from poor families, 7.4% of Roma children and 46% of children living in rural areas). There is also a difference in the PEU coverage according to different age groups of children, and the more significant coverage for the age group of 5.5 to 6.5 years, of 96.4%, results from the prescribed mandatory attendance of the preparatory preschool programme. When it comes to attendance rates for other levels of education, they are high in the general population in Serbia for both primary (99%) and secondary education (94%)⁴. Inequalities are noticeable according to socio-economic status, among children from the poorest households (98% for primary and 79% for secondary education), as well as among children from Roma settlements in Serbia (92% for primary and 28% for secondary education). Completion rates of primary (99.5%) and secondary school (97.7%) in the general population are also high, while these rates are significantly lower for children living in Roma settlements (63.7% for primary and 61% for secondary education). Results of PISA testing of students in the Republic of Serbia conducted in 2018⁵ are below the average of OECD countries⁶ whereby Serbian students need another year and a half of schooling to bridge the gap. The largest number of secondary school students attend vocational education (72.4% of the total number), mostly for four years. The system of dual education in the Republic of Serbia has been implemented since 2017, and to date has included around 15,800 students, who attend 73 dual education profiles (in the 2023/2024 school year).

The demographic aging of the population is characteristic of the Republic of Serbia. There is a decreasing volume of the young population due to the negative demographic trend, as well as emigration, since the largest number of potential migrants is among the younger population under the age of 40. The desire to leave the country is widespread among young people in the Republic of Serbia, regional research has shown⁷. Data show that almost 75% of young people (15-29 years old) express a desire or intention to emigrate. For about 20% of them, the most preferred option is short-term migration (for a year or two), while the same number of young people are thinking about moving out of the country permanently. As reasons for emigration, young people cite the desire for a better standard of living, as well as greater opportunities for education. Research that was recently published⁸ suggests that individuals with secondary education leave the Republic of Serbia in the largest number, and that the story of the brain drain

⁴ Source: 2019 Serbia - Multiple Indicator Cluster Survey on the position of women and children in Serbia 2019 (Serbia MICS 2019) and 2019 Serbia - Roma Settlements Multiple Indicator Cluster Survey on the position of women and children in Roma settlements (Serbia - Roma Settlements MICS 2019) <https://www.unicef.org/serbia/media/16726/file/MICS%206%20Multiple%20Indicator%20Cluster%20Survey%20for%202019.pdf>

⁵ Source: PISA 2018, Report for the Republic of Serbia http://www.obrazovanje.org/rs/uploaded/dokumenta/PISA-2018_Izvestaj-za-Republiku-Srbiju_ceo.pdf

⁶ In relation to OECD countries, the scores of students from Serbia are lower by 48 points on the scale of reading literacy, 41 points on the scale of mathematics literacy and 49 on the scientific literacy scale.

⁷ Source: Youth in Serbia 2018-2019 (Popadic et al., 2019), page 38, within Youth Studies Southeast Europe 2018/2019.

⁸ Source: Arandarenko, M., (2020), Chapter 4: Migration, Qualifications and Labour Market, National Human Development Report – Serbia 2020, UNDP.

is exaggerated. The Republic of Serbia faced an influx of highly educated people in the period from 2010 to 2019, which is a consequence of the return of students from studies abroad, as well as the influx of foreign students, primarily from the region⁹.

Funds available for active employment policy measures, managed by the National Employment Service, reached 0.1% of GDP in 2021. The limited financial framework results in a relatively low coverage of the unemployed (12.8% of the total number of registered unemployed). When it comes to young people, their inclusion in the financial measures of active employment policy financed from the RS budget is at a high level - data for 2022 show that 57.4% of young people were included in these measures in relation to the total number of persons involved. However, this is still only 18% of young people on the National Employment Service registry.

In this context, the Youth Guarantee offers the Republic of Serbia a framework for coordinating activities among various interested parties, pooling resources in order to maximise the impact on the results of young people in the labour market, and above all, for building national capacities to solve the problem of youth exclusion and the transition from education to the labour market.

1.2. *Rationale for establishing a Youth Guarantee*

In the Republic of Serbia, there were about 222,200 young people (15-29) who were not employed, in education or training (NEET) in 2020, according to the Labour Force Survey (LFS), which corresponds to approximately one fifth (20.2%) of the total youth population, and there is also a noticeable downward trend compared to 2017 (21.7% NEET rate). This decline is partly due to the progressive reduction of the youth population (-5.1% in the period), and partly to the decline in the share of unemployed youth in the NEET group (from 11.2% in 2017 to 8.4% in 2020).

NEET rates are higher for older youth (25-29) compared to the 15-24 cohort (27% and 15.9%, respectively); for young women compared to men (21.6% and 18.4%, respectively); for young people without education (63.3%); and for young people living in Southern and Eastern Serbia (22.6%). The NEET rate among higher education graduates was 26.9% in 2020, which is quite high.

Unemployed youth comprised approximately 45.9% of all NEET youth (around 103,000 youth) in 2020, whereby young men in the 15-24 age group were more likely to be unemployed compared to others. The largest share of unemployed youth was recorded in the regions of Southern and Eastern Serbia and Šumadija and Western Serbia (about 31%). The short-term unemployed are mostly young men in the 15-24 age group, mostly with secondary education and living in the southeast of the country. The long-term unemployed are mostly men, in the 25-29 age group, with secondary education and who live outside the regions of Belgrade and Vojvodina.

⁹ Source: Leitner S., (2021), Net Migration and its Skills: Composition in the Western Balkan Countries between 2010 and 2019: Results from a Cohort Approach Analysis, The Vienna Institute for International Studies.

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Among young people who are inactive, the majority are those who are separated from the labour market due to family obligations and taking care of others (22.4% of the NEET population, which amounts to over 50,300 young people) and those who are inactive for “other”, unspecified reasons (21.9% or 49,100 young people). Young people with health problems or disabilities make up 5.8% (13,100 young people) of all inactive young people in the NEET number, mostly men in the older cohort living in urban areas of south-eastern Serbia. Discouraged workers are mostly women in the 25–29 cohort who live in rural areas. Most of the changes observed in the labour market status of the NEET population between 2019 and 2020 occurred in the transition from unemployment to inactivity, whereby the number of young men becoming inactive increased by 30% in 2020 compared to 2019, while the increase in the number of young women who became inactive amounted to only 9% in the same period of time.

The probability of belonging to the NEET category is higher for young people in the 25-29 age group (by 7.3% compared to the 15-24 cohort) and for young women (by 2.4%), but young men are at a higher risk of unemployment (by 2.5%) compared to young women (more at risk of inactivity by 4.8%, and especially inactivity due to family obligations and taking care of others, 5.9%). Living in Belgrade or Vojvodina significantly reduces the probability that young people belong to NEET (by 5.9% and 3%, respectively) and remain unemployed (by 2.8% and 2.6%, respectively). As already mentioned, education pays off in the Serbian labour market, whereby youth with primary, secondary and higher education are 31.1%, 31.9% and 19.7% less likely to be NEET compared to young people without education.

There are three main reasons for establishing a reinforced Youth Guarantee in the Republic of Serbia. First, the Youth Guarantee has proven to be a powerful policy instrument in the EU countries to reduce youth unemployment and its social and economic costs. If the Youth Guarantee in the Republic of Serbia follows a similar pattern, the state could avoid costs associated with high levels of youth unemployment and disengagement (which can amount to 0.8-0.9% of GDP annually).¹⁰ Second, youth employment has been a policy priority in the Republic of Serbia for the last decade and although progress has been noted, it has not been enough to reduce the gap in youth and adult employment, whereby youth are almost three times less likely to be employed in comparison with adults. Finally, the Youth Guarantee could become a key driver of structural reforms, not only for the National Employment Service, but also for line ministries (labour and social protection, education, youth) with a role in youth employability and employment.

¹⁰ EUROFOND estimates show that in 2012, both Slovenia and the Slovak Republic, which had NEET rates and levels comparable to Serbia, faced economic costs ranging from 0.8 to 0.9% of GDP. EUROFOND (2012), NEET - Young People Not in Employment, Education or Training: Characteristics, Costs and Policy Responses in Europe, Publications Office of the European Union, Luxembourg.

2. IMPLEMENTING THE YOUTH GUARANTEE

The Youth Guarantee in the Republic of Serbia will be implemented in line with the EU Youth Guarantee and in line with the Council Recommendation on A Bridge to Jobs – Reinforcing the Youth Guarantee (October 2020).¹¹ The first Implementation Plan is drafted based on the results of the mapping of young people who are not employed, not in education or training (NEET), a review of existing policies and a consultative process carried out within the Coordination Body for the development and monitoring of the implementation of the Youth Guarantee Implementation Plan¹² and covers the time period from 2023 to 2026. Planned reforms and interventions are grouped within four phases of the Youth Guarantee: i) mapping and early intervention; ii) outreach; iii) preparation; and iv) offer and cross-cutting enablers needed for effective implementation of the Youth Guarantee. In the first year of the Implementation Plan realization, work will begin with amendments to the normative framework, strengthening the capacities of competent authorities and recognised partners at the national and local level, as well as establishing a framework for monitoring the Youth Guarantee. Bearing in mind the complexity of the planned reforms and the efforts that need to be made to establish the necessary frameworks and fulfil the prerequisites for the progressive introduction of the Youth Guarantee in Serbia, the preparatory activities will continue for the entire period of validity of the Implementation Plan, especially taking into account the importance of the feedback received through the piloting procedure for their more precise definition and guidance. After the implementation of basic preparatory actions, the piloting of the Youth Guarantee will begin in 2024 and will last until the end of 2026. Piloting activities will be realized in the territory of three National Employment Service branches, Niš, Kruševac and Sremska Mitrovica. The pilot branches were chosen taking into account the prerequisites for implementation related to the resources available in the local markets, as well as the organisational and administrative challenges in the National Employment Service branches. During the selection of pilot branches, the following criteria were considered: uniform regional coverage; inflow and outflow of young unemployed persons from the National Employment Service registry; analysis of NEET youth; personnel capacity of branches; economic potential, i.e. cooperation with employers where it is possible to provide employment and training for work; the existence of civil society organisations and youth offices as potential for the implementation of outreach activities; availability of preschool institutions; availability of training providers; cooperation with local self-government units; as well as the need to involve smaller as well as large branches in the piloting, in order to obtain relevant lessons in the context of planning the further expansion of the Youth Guarantee to other branches.

When it comes to regional representation, branches in Niš, Kruševac and Sremska Mitrovica are located in three regions of Serbia: Region of Southern and Eastern Serbia, Region of Šumadija and Western Serbia and Region of Vojvodina (respectively). They cover about 10% of the territory of the Republic of Serbia, where 12.6% of the population lives¹³ with the share of young people of 16.1% of the total number of young people in these

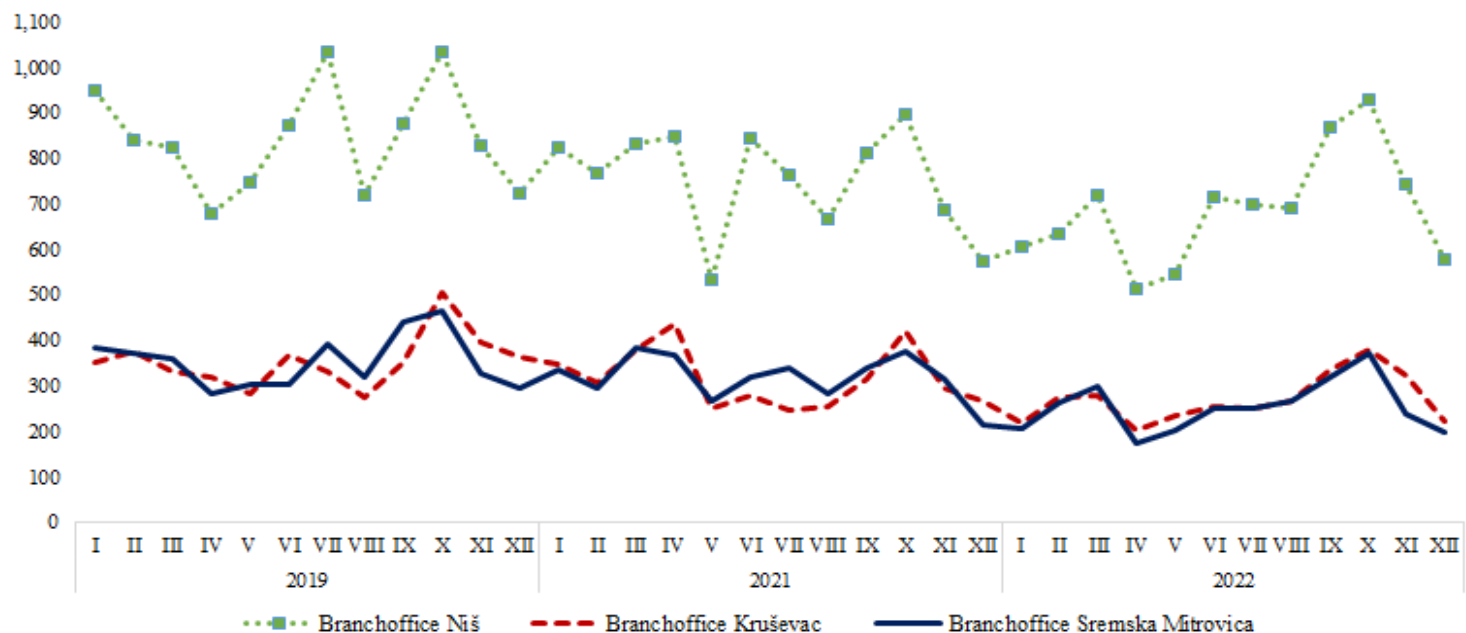
¹¹ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.C_.2020.372.01.0001.01.ENG

¹² <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/odluka/2022/4/5/reg>

¹³ Source: SORS, 2021 population assessment.

areas. The inflow of young people to the pilot branches registry amounts to an average of 16.5 thousand persons on an annual level¹⁴, which represents 14.2% of the total average inflow of young people to the National Employment Service registry. The largest influx of young people is recorded after the end of the school year, during June and July, then at the beginning of the year (March, April), as well as during autumn (September, October), which should be taken into account when organizing work in pilot branches.

Graph 1 Newly registered young people on the National Employment Service registry in pilot branches, monthly level



Source: NES

Cooperation with employers at the local level is one of the key success factors for the implementation of the Youth Guarantee. About 46.8 thousand business entities operate in the area of pilot branches¹⁵, which represents 10.7% of the total number of business entities in the Republic of Serbia. There is a continuous offer of jobs in the local labour market, an average of about 11,000 on an annual basis¹⁶, which is increasing year by year.

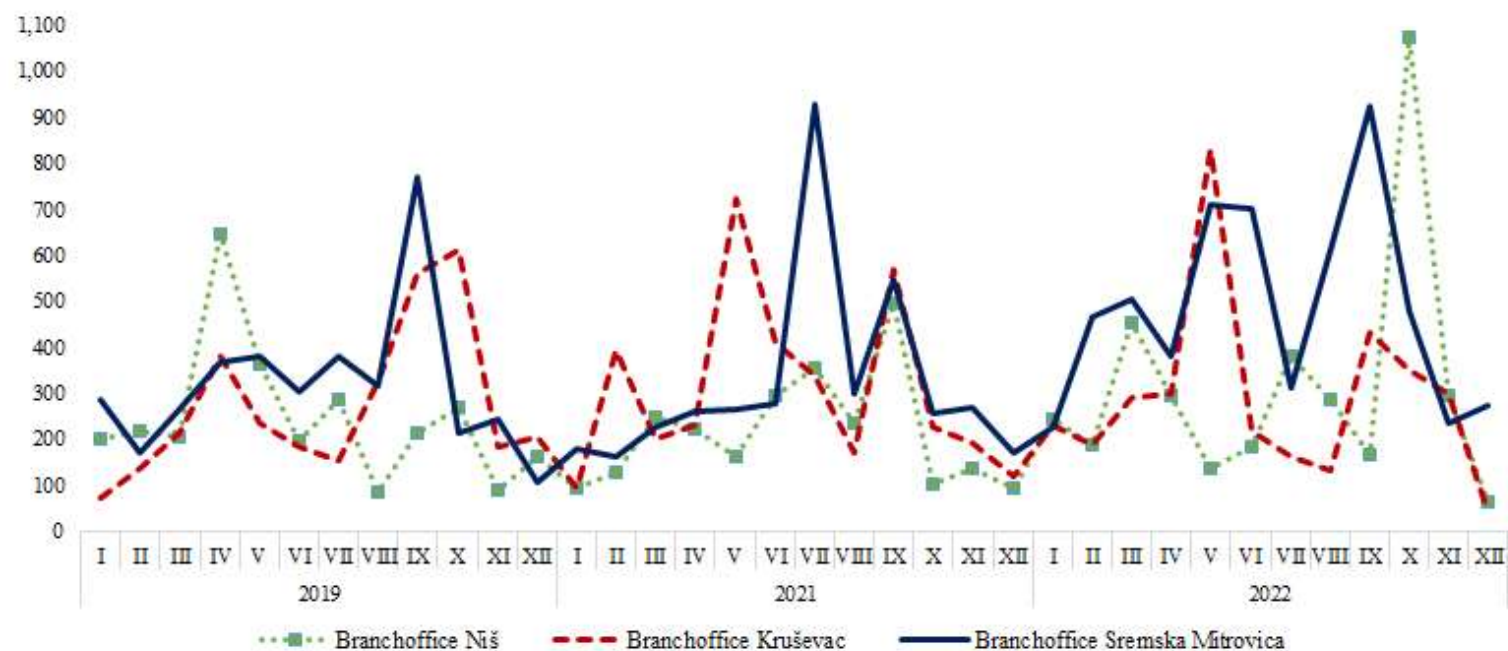
Graph 2 Reported employment needs in pilot branches, monthly level

¹⁴ The inflow of young people to the pilot branches registry: 2019 – 18,616, 2021 – 16,659, 2022 – 14,504. Year 2020 was not analysed because of the COVID-19 pandemic.

¹⁵ The number of business entities in the area of pilot branches: companies - 11,290; entrepreneurs - 35,566 in 2022. Source: Business Registers Agency

¹⁶ The number of reported employment needs in pilot branches: 2019 – 9,981, 2021 – 10,055, 2022 – 13,039. Year 2020 was not analysed because of the COVID-19 pandemic.

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Source: NES

In the area of these branches, 57 training programs are accredited (9.3% of the total number of accredited programmes), which are implemented by 8 institutions/organisations with the status of publicly recognised organisers of adult education activities (PROAEA) (5.4% of the total number of PROAEAs).¹⁷ The experiences and results of the conducted piloting should provide the necessary information for the progressive introduction of the Youth Guarantee in several branches of the National Employment Service, in relation to the entire territory of the Republic of Serbia.

¹⁷ Source: Qualifications Agency, Data updated on 24/04/2023

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2.1. *Phases*

2.1.1. Mapping and early intervention

In the mapping phase, several interventions are foreseen, key to improving the knowledge base about NEET youth, especially about the causes of their inactivity and providing the necessary information for the design and development of adapted and effective outreach, support and preparation services.

Statistical mapping of NET youth in the Republic of Serbia¹⁸ was done on the LSF micro-data for 2017, 2019 and 2020. Factors that influence the probability that an individual will be in the NEET category (gender, level of education and geographic location) are stable in the observed period. However, the descriptive statistics for 2019 and 2020 indicate a shift in the composition of NEET youth, which is mainly reflected in the transition to inactivity. Although it is possible that this is a temporary effect due to the consequences of the Covid-19 pandemic on the labour market, the implementation of statistical mapping of NEET youth on the LFS data for 2021 and 2022 would make it possible to discover whether these changes in the labour market are still present, which would require additional interventions, or they decrease with the growth of economic activity. Additionally, a more precise disaggregation of labour market variables by age subgroups, where statistically feasible, can help to better understand the relationship between education and employment. Complementary sources of data, administrative data from the tax system/social protection system, as well as information from the system of monitoring graduates and students in the labour market, will supplement the analysis and allow to gain insight into the exposure of young women and men to discouragement, poverty and unused skills.

Special attention will be focused on the subgroup of inactive NEET youth through two planned interventions. Based on the results of the conducted mapping of NEET youth, which showed that there is a significant share of youth who are inactive, but are registered with the National Employment Service, the employment counsellors in the National Employment Service will be entrusted with the identification of these youth and the assessment of their needs.¹⁹ NES employment counsellors will be entrusted with the identification of these young people and the assessment of their needs. This will be done: (i) when young people periodically report to the National Employment Service (every three months according to the law) through individual interviews with the aim of determining the real status of young people in the labour market and the reasons for their inactivity, (ii) by analysing the registry of persons temporarily prevented from working and justified reasons for inclusion in this special registry,²⁰ and (iii) analysis of the status and results of persons who, on the basis of self-assessment, declared that they are able to find employment independently, without the support of the

¹⁸ International Labour Organisation, Young persons neither in education nor employment or training (NEET) - Mapping and Policy Guidelines, Serbia

¹⁹ The Law on Employment and Unemployment Insurance defines unemployed persons as able to work and immediately ready to work, who are kept on the unemployment register and are actively looking for employment, and although the term "inactive" youth is used within this document, in the NES registry, it means young who for various reasons (discouraged, family obligations...) are further away from the labour market than others.

²⁰ Rulebook on the criteria, manner and other issues of relevance for implementation of active employment policy measures, Nos. 102/15, 5/17 and 9/18), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/druqidrzavniorganizacijep/pravilnik/2015/102/1/reg>

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National Employment Service.²¹ This data collection and needs analysis should enable the development of dedicated support that would help remote youth become more active in the labour market. Additionally, the research planned in partnership with UN Women will make it possible to understand the factors that hinder young women's (re)entry into the labour market, as well as to what extent family obligations affect employment prospects. The findings will be used to shape policies and measures to facilitate the reconciliation of work and family life and to improve the position of young women in the labour market.

The mapping of services and available support for young people at the local level was designed in order to obtain the information needed for the progressive introduction of the Youth Guarantee. The mapping will be done in two phases - the focus of the first phase will be on LSGUs where the Youth Guarantee will be piloted, while the second phase will cover the entire territory of the Republic of Serbia. The mapping will be an opportunity to determine existing but also missing capacities and services at the local level and further interventions will be planned accordingly. With the support of the Standing Conference of Towns and Town Municipalities, experiences from piloting and findings of the second phase of the mapping will be presented and discussed at the regional level with all relevant actors in order to more readily enter into the full implementation of the Youth Guarantee.

Early intervention within the Youth Guarantee system includes reforms and measures that contribute to the strengthening of the position of young people in the labour market through the formal education system and thus facilitating their transition into the world of work and preventing entry into the NEET status. In addition, early intervention entails the development of certain curative measures for young people who are not in education, who are unqualified or with a low level of qualifications, and who should be enabled to acquire the knowledge and skills needed to enter the labour market.

Most of the reforms and early intervention measures are in the primary competence of the Ministry of Education and other organisations and bodies in the field of education. *Strategy for Education and Upbringing Development in the Republic of Serbia by the year 2030*²² (hereinafter referred to as the "Education Strategy") already recognizes reforms and interventions relevant to the Youth Guarantee system and emphasises the improvement of coverage, inclusion, quality, efficiency and relevance of education.

Improving the quality, relevance and efficiency of education and the further development of the system of the National Qualifications Framework of the Republic of Serbia (NQFS) will require amendments to the relevant laws and by-laws in the field of education. Data on the level of education show that the majority of NEET youth have a secondary education (61.9%) - and especially a vocational education qualification (56.9%) - without major changes over time.²³ More than 70% of all secondary school students attend one of the vocational education programmes, which can last three or four years.²⁴ The planned improvement of the quality and efficiency of vocational education entails the development of market-relevant standards of qualifications and new or improved teaching and learning programmes based on them, as well as the development of a Methodology for monitoring the effects of the

²¹ Ibid

²² Strategy for Education and Upbringing Development in the Republic of Serbia by the year 2030 ("Official Gazette of the Republic of Serbia", No. 63/21), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/63/1/reg>

²³ International Labour Organisation, Young persons neither in education nor employment or training (NEET) - Mapping and Policy Guidelines, Serbia

²⁴ International Labour Organisation, Serbia, An Analysis of Policies

application of new qualifications on employment and lifelong learning. Bearing in mind the influence of work-based learning on improving the employability of young people, work will be done on the further development of dual education and the increase of its scope in secondary vocational education, as well as on further development of the dual study model.²⁵ In order to improve the quality of dual education, a framework was created that can be seen as an upgrade of the existing national mechanisms for quality assurance when it comes to the system of secondary vocational education, because it takes into account all the key specificities of secondary vocational schools in the narrow sense, but also of dual educational profiles in the Republic of Serbia (for example: work based learning, cooperation between schools and employers, placement of students, etc.) and is based on the monitoring and evaluation of those aspects of dual education that are most often used in international practice. By monitoring the implementation and development of dual education, adequate conditions for improving its quality will be provided. Outside the dual model of education, the improvement of practical forms of teaching (PFT) in vocational schools will be carried out in accordance with the adopted *Rulebook on the implementation of practical teaching and professional practice*²⁶, with support for schools to implement the provisions of this rulebook. In particular, it is necessary to provide support in connection with the development of the Plan for the implementation of PFT and the realisation of the role of teachers and organisers of practical teaching and exercises in its implementation.

The data on the education of NEET youth also show that the share of persons with higher education who were NEET in 2020 is relatively high (17.1%) and comparable to the share of those who obtained at least primary education (16.2% in the same year). In addition, the data show that there has been little progress over time, as the share of NEET youth with tertiary education has been stable over the past three years (above 16%).²⁷ According to the National Employment Service registry, unemployed young people with higher education make up about 23.5%. In order to improve the position of highly educated young people in the labour market, the Education Strategy recognizes, as a specific objective, the improved relevance of higher education. In order to achieve this specific objective, in addition to further development of a dual model of studies, efforts will be made to encourage the cooperation of higher education institutions (HEIs) with employers, the economy and the public sector, to strengthen the entrepreneurial component of higher education, the introduction of short-cycles at the 5th NOKS level and to analyse the state and projections of the economy in the Republic of Serbia in order to determine the need for specific vocational profiles in accordance with the needs of employers, but also the long-term needs of the development of the Republic of Serbia.

A developed system of CGC is extremely important for the realisation of the Youth Guarantee, taking into account the importance of CGC for young people when choosing an appropriate education in relation to the occupation they want to pursue in life, for the mobility and progression in the education system, for the transition to the labour market, as well as lifelong learning and career management. For this reason, the development of the CGC system is recognised as a special reform within the framework of early intervention. The development of this system is carried out in the field of

²⁵ For the school year 2023/2024, a total of 72 dual profiles in secondary vocational education are planned for the year and there is a tendency to increase in accordance with the new needs of the business sector. From October 2021, the implementation of the first study programmes under the dual study model began. So far, 36 study programmes have been accredited according to the dual model, which are implemented at 10 higher education institutions.

²⁶ Rulebook on the implementation of the practical teaching and professional practice ("Official Gazette of the Republic of Serbia", No. 112/20), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/ministarstva/pravilnik/2020/112/1/reg>

²⁷ International Labour Organisation, Young persons neither in education nor employment or training (NEET) – Mapping and Policy Guidelines, Serbia

education, employment and youth, and the civil sector. In order to ensure a uniform quality of services by all providers, the CGC standards established by the *Rulebook on standards of career guidance and counselling services*²⁸ and recommendations for the implementation of the plan for implementing the CGC service standards of the Council for NQFS will be used. Amendments to the Law on the National Framework of Qualifications of the Republic of Serbia gave the competence to the Council for NQFS to give recommendations on the process of planning and development of human resources in accordance with the strategic documents of the Republic of Serbia, as well as regarding the coordination of CGC public policies in all sectors, while the Qualifications Agency monitors CGC activities and the implementation of CGC service standards. Furthermore, the obligation of all CGC service providers to submit a work report to the Qualifications Agency once a year is established. A special form that should facilitate reporting and monitoring of CGC activities will be determined by a by-law, as well as closer requirements for determining competences of career practitioners. In the coming period, the development of the Portal for CGC and a digital system for monitoring the implementation of CGC services and monitoring the application of CGC standards is planned. In addition, work is also being done on the preparation of occupational standards relevant to the field CGC (Career Counsellor, Career Guidance and Counselling Specialist and Employment Counsellor). The development of a system of professional orientation, career guidance and counselling of primary and secondary school students will be realised through the creation of various instruments and tools for the purposes of examining the professional interests of students, training of professional associates to use them, development and realisation of training for the implementation of professional orientation and career guidance activities and advising students. CGC services will be provided to higher education students within the framework of existing career development centres at universities. Capacity building within the formal education system should gradually release the National Employment Service from the obligation to carry out professional orientation and career planning counselling for primary and secondary school students and higher education students, in order to direct the capacities to work with persons seeking employment and unemployed persons.

Within the framework of the employment system, the Employment Strategy in the Republic of Serbia for the period from 2021 to 2026 and the Action Plan for the first three-year period of its implementation, training is planned for employees of the National Employment Service and employment agencies to provide CGC services in accordance with the adopted standards. It is also recognised the need to strengthen the role and capacities of CSOs dealing with CGC, to reach the standards for quality provision of CGC services, because CSOs can include a significant number of people within this service, especially those who are not inclined to turn to the institutions of the system for support. A certain number of CSOs acquired the status of PROAEA for the activity of providing CGC services in the accreditation procedure carried out by the Qualifications Agency. The Youth Strategy in the Republic of Serbia for the period from 2023 to 2030²⁹ envisages support for existing and innovative programmes for the development of career management skills of young people, the achievement of which will be measured through three indicators: the share of young people who participated in CGC activities; the share of youth offices that implement programmes and career management activities; and number of CGC service providers in accordance with adopted standards.

²⁸ The Rulebook on standards of career guidance and counseling services ("Official Gazette of the Republic of Serbia", No. 19/19), <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/ministarstva/pravilnik/2019/43/4/reg>

²⁹ The Youth Strategy in the Republic of Serbia for the period from 2023 to 2030 ("Official Gazette of the Republic of Serbia", No. 9/23) <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2023/9/1/reg>

The development of the National Standard Classification of Occupations (NSCO) under the jurisdiction of the Ministry of Labour, Employment, Veteran and Social Affairs is recognised as an early intervention reform. A functional NSCO system should enable the monitoring of changes in the labour market and provide detailed information on individual occupations embodied in occupational standards, which represents the basis and significant input for: (i) harmonizing the formal and non-formal education systems with the needs of the labour market, (ii) providing quality CGC services and (iii) mediation in employment, as important functions in the Youth Guarantee system. In the previous period, the Draft methodology for the development of occupational standards was prepared and piloted, which determined the elements of occupational standards and their meaning, instructions for their preparation, as well as the processes of developing occupational standards. The purpose of determining occupational standards is to obtain as complete and clear information as possible about the tasks performed within the occupation, the necessary knowledge and skills for their performance, the means of work used within the occupation, the place of work where the occupation is performed, the usual working hours, the existence of certain risks during the performance of the occupation and other information that should make the occupation recognizable for all actors in the labour market and enable its uniform use, and thus easier communication and exchange of information in the labour market, in the education and training system, and at the level of society in the whole. In the following period, it is planned to establish a legislative and institutional framework for the further development of NSCO and the formalisation of occupational standards.

The Education Strategy also plans activities aimed at increasing the availability of and coverage by PUE. These activities have double importance: in the first place, quality care for children and early childhood education is important for the fight against social exclusion, the interruption of the intergenerational transfer of poverty and the continuation of education. In the second place, since inactive NEET youth are dominated by those who are separated from the labour market due to caring for others and family obligations (22.4% of the total NEET population, over 50,300 young people), the availability of affordable, quality childcare is important to support the participation of young women with children in the labour market.

In the direction of supporting young people who are not in the formal education system, and who lack the appropriate qualifications, or knowledge and skills to join the labour market, the single integrated system of NQFS is of particular importance, so that in addition to formal qualifications, they can also be acquired through non-formal education, such as and through the recognition of prior learning (RPL) procedure. Although there is a noticeable shift in the offer of programmes implemented by PROAEA, according to the reports on the implementation of the annual adult education plans, it is evident that there are not enough programmes and that the programmes do not fully respond to the needs of the labour market.³⁰ In order to improve the offer of programmes, their compliance with the needs of the labour market and regional availability, work will be done on the promotion of PROAEA accreditation and non-formal adult education, as a flexible way of adapting education to rapid technological changes and the needs of the labour market, informing employers about the conditions, advantages and importance of acquiring the PROAEA status and providing support to PROAEA in the implementation and improvement of the quality system. The RPL is a procedure in which, in a standardised way, knowledge, skills, abilities and attitudes and competences of an interested person (candidate) determined by the qualification standard are recognised with, which he/she acquired

³⁰ Strategy for Education and Upbringing Development in the Republic of Serbia by the year 2030

through education, life or work experience.³¹ In order to improve and expand the accessibility of the RPL procedure, work will be done on: development of procedures, methods and instruments used in the RPL procedure; training of personnel involved in the RPL procedure; approval of PROAEA status for RPL; analysis of the possibility of piloting the RPL procedure in other organisations with PROAEA status; promotion of the RPL concept; monitoring and continuous improvement of the quality of the RPL procedure. At the moment, 611 training programmes have been accredited, which are implemented by 148 institutions/organisations with PROAEA status, as well as five institutions that implement the activities of recognition of prior learning for 8 qualifications and 71 occupations³². In addition, the establishment of regional training centres (reconstruction and equipment) is planned as well as the development of short programmes of studies at universities. Expanding the offer of adult education and training should enable the National Employment Service - as the main implementation partner of the Youth Guarantee to provide a wider range of quality offers for continuing education and training.

Table 2.1.1: Key reforms and initiatives – Mapping and early intervention

Name of the reform/initiative	Key objective(s)	Target group, including number of people covered (if available)	Scale	Name and role of organisation in the lead and cooperating partners	Timetable for implementation	Implementation cost, if applicable, and source of funding
Planned reforms						
Amendments to relevant laws and by-laws in the field of education	<ul style="list-style-type: none"> • Further develop the NQFS system • Introduce the option of acquiring partial qualifications and improve the ways of including key competencies into standards • Develop market relevant qualification standards and teaching and learning programmes based on them and training programs • Improve PFT in secondary vocational education • Further improve the implementation of dual education in secondary education and further development of the dual study model • Improve the accreditation of training programmes in non-formal education and the RPL procedure and increase the number of issued 	Pupils Students Young NEETs Youth Adults	National	Ministry of Education ODENQF QA Social partners	2023-2026	<p>RSD 13,200,000.00 Source: SDC project “Support for the reform of the dual system of secondary vocational education and the National Framework of Qualifications in the light of lifelong learning in Serbia”</p> <p>RSD 18,000,000.00 Source: IPA 2020* (Ministry of Education)</p>

³¹ Rulebook on the standards and manner of implementation of the procedure for recognising prior learning (“Official Gazette of the Republic of Serbia”, Nos. 148/20), <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sqrs/ministarstva/pravilnik/2020/148/3/reg>

³² Source: Qualifications Agency, May 2023.

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	<p>accreditations</p> <ul style="list-style-type: none"> • Improve the strategic and normative framework for the services of CGC 					
Development of the career guidance and counselling (CGC) system	<ul style="list-style-type: none"> • Ensure availability and quality of CGC services in the system of education, employment and the youth sector and their compliance with CGC standards • Improve the capacities of CGC service providers • Develop a Portal for CGC and a digital system for monitoring the implementation of CGC services and monitoring the implementation of CGC standards • Improve/revise CGC standards • Develop occupation standards relevant for CGC area • Ensure interoperability • Digitalise the services of the CGC 	<p>Pupils Students Persons looking for employment Young NEETs</p>	<p>National Local</p>	<p>Ministry of Education (lead) MoLEVSA MoTY QA ODENQF NES CSOs</p>	2023 -2026	<p>RSD 3,400,000.00 Source: Budget of the Republic of Serbia (Ministry of Education)</p> <p>RSD 7,000,000.00 Source: Budget of the Republic of Serbia (MoTY)</p> <p>RSD 12,000,000.00 Source: IPA 2020* (Ministry of Education)</p> <p>RSD 3,600,000.00 – 2023 Source: SDC - “Education to employment” Programme</p> <p>RSD 2,768,000.00 – 2023 The Youth Alliance of the Association ‘Novi Sad Youth Capital of Europe – OPENS</p> <p>RSD 24,000,000.00 Financial gap for the CGC Portal**</p>
Establishment of a legislative and institutional framework for the further development of the NSCO	<ul style="list-style-type: none"> • Develop standards for as many occupations as possible • Collect the necessary information about occupations in order to provide quality services of CGC and mediation in employment • Connection of the NQFS and NSCO systems and the development of qualification standards based on 	<p>Pupils Students Persons looking for employment Young NEETs Adults</p>	<p>National</p>	<p>MoLEVSA (lead) NES QA Social partners</p>	2023-2026	<p>Source: Budget of the Republic of Serbia - current costs of employees</p> <p>RSD 6,000,000.00 - 2023 Source: SDC - “Education to</p>

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	occupational standards					employment” Programme
Planned initiatives (measures)						
Mapping of young NEETs 2021/2022	<ul style="list-style-type: none"> Determine the structure of young NEETs and compare the obtained results with previous mapping in order to examine trends Collect information on the relationship between education and employment and youth exposure to discouragement, poverty and underutilised skills by including additional data sources from administrative records. 	Young NEETs	National	MoLEVSA (lead) ILO SORS NES CRCSI Ministry of Education	2023	Source: Technical support EC-ILO
Identification of young NEETs who are on the NES registry, but are far from the labour market	<ul style="list-style-type: none"> Identify young people who, despite being on the NES registry as unemployed, are excluded from the labour market (identification and assessment of needs) Collect the necessary data to create dedicated support for youth excluded from the labour market based on individual needs (outreach, support and preparation) 	Young NEETs registered with NES , but are far from the labour market	National Local	NES	2025-2026	Source: Financial plan of NES - current costs of employees
Research on reconciliation of work and family life of young NEET women	<ul style="list-style-type: none"> Identify factors that hinder the (re)entry of young women into the labour market and assess the extent to which family obligations affect employment prospects Prepare the analytical basis needed for the development of policies and measures aimed at the activation and employment of young women with family responsibilities 	Young NEET women	National	MoLEVSA (lead) UN Women	2023	Source: UN Women Project “Support to Priority Actions for Gender Equality in Serbia II”
Mapping services and available support for young people at the local level	<ul style="list-style-type: none"> Collect necessary information for the introduction of the YG Facilitate the exchange of experiences and examples of good practice between local self-government units and other actors at the local level 	LSGUs Young NEETs	National Regional Local	MoLEVSA MoTY NYCS NAYWP NAoYO CSOs SCTM	2023 - first phase 2025 - second phase	Source: IPA 2020 – Technical support (MoLEVSA and NES)
Expansion of dual education coverage	<ul style="list-style-type: none"> Enable secondary vocational school students and higher education students to learn through work in a 	Students (increase in the participation of	National	Ministry of Education ODENQF	2023-2026	RSD 40,000,000.00 Source: Budget of the

	<p>real work environment and acquire the soft skills needed to work for an employer</p> <ul style="list-style-type: none"> • Increase the number of educational institutions in the system of dual education and upbringing. • Improve cooperation with the private sector and strengthen the capacities of employers for inclusion in dual education • Increase youth employability 	<p>students enrolled in the first year in the dual education system in relation to the total number of students enrolled in the first year of secondary vocational education of 12%) 850 higher education students</p>				<p>Republic of Serbia (ODENQF)</p> <p>RSD 19,416,000.00 Source: SDC project “Support for the reform of the dual system of secondary vocational education and the National Framework of Qualifications in the light of lifelong learning in Serbia”</p>
Expanding the offer of non-formal education	<ul style="list-style-type: none"> • Enable the acquisition of the necessary knowledge and skills through the system of non-formal education in order to enter the labour market competitively • Accredite additional 300 market relevant training programmes (PROAEA) • Establish 14 regional training centres • Develop 30 new short study programmes at universities • Improve the regional availability of training programmes 	<p>Young NEETs Adults</p>	<p>National Regional Local</p>	<p>Ministry of Education QA ODENQF IIE IEQE</p>	<p>2023-2026</p>	<p>RSD 1,184,000,000.00 Source: Budget of the Republic of Serbia (ODENQF)</p> <p>RSD 24,000,000.00 Source: IPA 2020* (Ministry of Education)</p> <p>RSD 60,000,000.00 Financial gap to support the development of training centres**</p>
Implementation and continuous improvement of the RPL procedure	<ul style="list-style-type: none"> • Enable knowledge and skills acquired outside the education system to be recognised by obtaining a (public) document and thus recognisable on the market, which will facilitate employment • Introduce 30 new programmes into the RPL procedure • Train career counsellors to recognise persons who could be included in RPL 	<p>Young NEETs Adults</p>	<p>National Local</p>	<p>Ministry of Education QA ODENQF IIE</p>	<p>2023-2026</p>	<p>RSD 66,720,000.00 Source: IPA 2020* (Ministry of Education)</p>

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* The stated amount of funds from IPA 2020 is a projection, since at the time of preparation of the Action Plan Proposal for the period from 2023 to 2026 for the implementation of the Strategy for the Development of Education and Training in the Republic of Serbia until 2030³³, the implementation of the IPA 2020 project had not begun.

** The stated amount of funds is a projection of the required funds since no donor has been secured for the implementation of the mentioned activities, i.e. no funds have been contracted that will be determined for these activities at the time of preparation of the Action Plan Proposal for the period from 2023 to 2026 for the implementation of the Education Development Strategy and education in the Republic of Serbia until 2030.

2.1.2. Outreach

The outreach phase within the Youth Guarantee envisages reaching out to NEET youth who are distant from the labour market and who do not themselves turn to institutions for support.

The new Law on Youth will recognize the concept of outreach in the youth sector and thus contribute to its promotion. The development of the Model for outreach and activation of young NEETs outside the system (methodology, minimum standards of services, referral, monitoring) and the coordination of the piloting of outreach activities will be carried out within the narrow composition of the Expert Group of the Coordination Body with the technical support of the International Labour Organisation. This includes building the capacity of CSOs and youth offices to reach out to those young people who are far from the labour market (shown in section 2.2.4) and who do not themselves turn to support institutions for their inclusion in the Youth Guarantee, as well as the professionalisation of youth work.

Outreach activities will be piloted – together with the Youth Guarantee service provision system in the territory of three National Employment Service branches. Piloting should enable testing of the Model for outreach and activation of young NEETs outside the system and provide feedback on: 1) what produces the best results for different categories of young NEETs; 2) which support services are most needed (e.g., employment services, CGC social protection services, child care, psychological counselling) and 3) which additional capacities and competencies CSOs, youth offices and youth workers should develop in order to implement effective outreach activities. Additional collection of information on the characteristics and needs of young people who are inactive according to the LFS for “other” unspecified reasons could become part of outreach activities within the Youth Guarantee, in order to investigate the reasons for their inactivity (e.g., taking time off before entering the labour market, social protection), as well as whether they want to join the labour market, in order to create adequate approaches for their activation.

Outreach services and approaches for the activation of inactive youth must be adapted to local circumstances and implemented at the level of local self-governments in order to be able to respond to the challenges and needs of young people in a given environment in the most appropriate way. In this direction, local self-governments should ensure the harmonization of local planning documents and the coordination of initiatives that can have a

³³ “Official Gazette of the Republic of Serbia”, No. 96 of 2 November 2023.

direct or indirect impact on the implementation of Youth Guarantee services locally, as well as establish appropriate platforms for continuous dialogue and cooperation of various local actors.

Table 2.1.2: Key reforms and initiatives – Outreach

Name of the reform/initiative	Key objective(s)	Target group, including number of people covered (if available)	Scale	Name and role of the organisation in the lead and cooperating partners	Timetable for implementation	Implementation cost, if applicable and source of funding
Planned reforms						
The development and adoption of the new Law on Youth	<ul style="list-style-type: none"> Recognise and promote outreach activities Set the stage for sustainable funding of outreach activities 	Young NEETs CSOs	National	MoTY (lead) Social partners	2025	RSD 2,000,000.00 2024-2025. Source: Budget of the Republic of Serbia (MoTY)
Development of a Model for outreach and activation of young NEETs outside the system	<ul style="list-style-type: none"> Develop methodology and tools for establishing contact, activation and providing support to youth who are far from the labour market or at risk of social exclusion. Establish minimum service standards for young NEETs and a framework for monitoring the results of services 	Young NEETs CSOs	National	MoLEVSA MoTY NYCS NAYWP NAoYO SDC - "Education to employment" Programme	2023	Source: IPA 2020 - Technical support (MoLEVSA and NES)
Planned initiatives						
Professionalisation of youth work	<ul style="list-style-type: none"> Develop occupational standards and qualification standards for different levels of youth work and non-formal education programmes based on them Establish a professional association of youth workers Ensure quality provision of youth outreach services 	Youth workers Young NEETs	National	MoTY NAYWP MoLEVSA QA SDC - "Education to employment" Programme	2023-2026	RSD 17,060,000.00 Source: Budget of the Republic of Serbia (MoTY) RSD 393,111,000.00 Source: The Foundation Tempus
Piloting Model for outreach and activation of young NEETs outside the system-implementation of outreach activities by CSOs	<ul style="list-style-type: none"> Identify, activate and offer support to young people who are far from the labour market or at risk of social exclusion Collect necessary information for further 	8,666 young NEETs	Local	CSOs (lead) YOs MoLEVSA MoTY NES	2024 - 2026	RSD 3,600,000.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES

	improvement of Model and outreach activities <ul style="list-style-type: none"> Collect additional information on the characteristics and needs of young people who are inactive for “other” unspecified reasons 			NYCS NAYWP		RSD 12,000,000.00 Financial gap for the piloting of Model for outreach and activation of young NEETs for 2025 and 2026
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2.1.3. Preparation

The introduction of the Youth Guarantee in the Republic of Serbia and the provision of effective preparation services and quality offers will require changes to the legal framework in the field of employment, as well as reforms in the service delivery system of the National Employment Service and its functional organisation (the latter is explained in chapter 2.2.4).

The National Employment Service will be the main entry point of the Youth Guarantee. Young people who want to get involved in the Youth Guarantee will have the opportunity to register online (pre-registration) or in person at one of the branches/outposts of the National Employment Service where the piloting will be conducted. The registration process, which will be managed through the improved ICT platform of the National Employment Service, will enable the collection of data needed for profiling and segmentation of clients. The development and improvement of the ICT platform will be carried out continuously, through a parallel process of development and testing of established modules. Client segmentation will be based on statistical profiling and an individual interview with an employment counsellor. Statistical profiling should enable the assessment of the probability that a young person will be in the NEET category based on personal characteristics and geographic location and help counsellors to segment clients and determine the support needed. The individual employment plan (IEP) will be agreed upon within the legal deadline (3 months), but the internal procedures of the National Employment Service will determine different deadlines, in accordance with the previous segmentation of young people who are registered in the Youth Guarantee, so that with the youth at greatest risk, the IEP will be agreed upon within two weeks, with youth at moderate risk, within two months, and with youth who are have the lowest risk and are ready to join the labour market, within three months. The frequency of contacts and the intensification of conversations with the counsellor should lead to the identification of unfavourable circumstances in which the young person finds himself/herself, obstacles and reasons for insufficient activity and unemployment, so that within the framework of the IEP, the necessary employment services, possible referral to partners to provide additional support and finally the active employment policy measures in which the person will be involved in order to employ or increase employability, i.e., a suitable offer can be agreed upon.

The current portfolio of services provided by the National Employment Service to clients (employment counselling, professional orientation and career planning counselling, active job search measures, employer visits, employer forum, employment mediation) will be further strengthened and expanded through the implementation of several initiatives. The first refers to the strengthening of employment mediation services, which will become the primary tool for preparing young people without or with limited obstacles to enter the labour market. This, in turn, requires additional improvement of

cooperation with employers and strengthening the function of the newly formed Department for the Development of Relations with Employers within the National Employment Service in the direction of expanding services to employers, monitoring their needs and intensifying contact with local employers in order to collect vacancies and provide more offers for employment, continuing education and training and traineeships. In addition to existing services, young people will be offered short training courses (which do not lead to the acquisition of recognised qualifications). As the reinforced Youth Guarantee emphasises the digital skills of young NEETs registered in the Youth Guarantee, the necessary tools for assessment and self-assessment of digital skills will be developed, in order to offer short training courses to young people who need to improve their digital skills based on the identified deficiencies. Employment counsellors will be informed about the RPL procedure and trained to recognise unemployed people who would be suitable candidates for this procedure, and it is planned to pilot the RPL procedure for 10 young people registered in the Youth Guarantee. Complementary support will be established for unemployed youth who are single parents of a child or children under 7 years of age or families in which one spouse is employed and the other is unemployed and has the obligation to look after a child or children, in the form of a cash allowance for child care. Finally, the offer of online services of the National Employment Service and the visibility of the National Employment Service in social media will be expanded, and work will also be done on the development of support for persons after inclusion in the measure (post-placement support).

Table 2.1.3: Key reforms and initiatives – Preparation

Name of the reform/initiative	Key objective(s)	Target group, including no of people covered (if available)	Scale	Name and role of organisation in the lead and cooperating partners	Timetable for implementation	Implementation cost, if applicable and source of funding
Planned reforms						
Amendments to the Law on Employment and Unemployment Insurance	<ul style="list-style-type: none"> Harmonise the national normative framework with the requirements of the YG service provision system (registration, profiling, separation of employment services and AEP measures, IEP, support after inclusion in the measure/employment, referral to partners and external contracting service (outsourcing), NCSO standardisation). 	Unemployed	National	MoLEVSA (lead) NES Social partners	2023 - 2025 Adoption in the third quarter of 2025	Source: Budget of the Republic of Serbia - current costs of employees RSD 5,500,000.00 - 2023 Source: SDC "Education to employment" Programme
Planned initiatives						
Introduction and continuous improvement of online (pre)registration and statistical profiling	<ul style="list-style-type: none"> Enable unemployed persons to register online (pre) on the NES registry Enable online (pre)registration for the unemployed on the NES registry Enable online (pre)registration for young NEETs in YG 	Unemployed Young NEETs	National	NES	2023 - 2026	RSD 10,200,000.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES

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	<ul style="list-style-type: none"> • Collect data needed for profiling and segmentation of clients • Facilitate the work of employment counsellors when profiling, segmenting clients and arranging IEP • Estimate the probability that a young person is in the NEET category • Digitalise IEP and enable the unemployed/young people to enter data in the job search journal 					<p>RSD 9,000,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 – Direct grant for NES</p>
Strengthening the capacity of employment counsellors for individualised approach to unemployed persons	<ul style="list-style-type: none"> • Improve the skills of employment counsellors for working with the unemployed based on their individual needs, which will also have an impact on the quality of negotiations with the unemployed. • Improve the CGC service provision through continued implementation of internal training in NES • Ensure cooperation with workers in the field implementing outreach activities (CSOs) 	Unemployed Young NEETs	National	NES	2023-2026	Source: IPA 2020 – Technical support (MoLEVSA and NES)
Improvement of the procedure and technique for agreeing and revising individual employment plans	<ul style="list-style-type: none"> • Intensify contacts between the unemployed and employment counsellors • Recognise the barriers faced by the unemployed on the NES registry, and establish a more comprehensive approach in responding to their needs. • Improve CGC and targeting/selection of persons when including in AEP measures • Internal procedures determine the deadlines for agreeing on IEP in accordance with the results of statistical profiling 	Unemployed Young NEETs	National	NES	2023-2026	Source: IPA 2020 – Technical support (MoLEVSA and NES)
Implementation and continuous improvement of the mediation in employment	<ul style="list-style-type: none"> • Facilitate the employment of unemployed persons and NEET youth • Respond to applications of the employer's need for employment 	Unemployed Persons looking for employment Young NEETs Employers	National	NES	2023-2026	Source: Financial plan of the NES - current costs of employees
Improvement of cooperation with employers	<ul style="list-style-type: none"> • Increase the number of employers who cooperate with the NES, use the services of the NES and participate in the measures of AEP • Organize six info sessions in three pilot branches with employers • Increase the range of offers (for 	Unemployed Persons looking for employment Young NEETs Employers	National Local	NES (lead) LSGUs	2023-2026	<p>Source: IPA 2020 – Technical support (MoLEVSA and NES)</p> <p>RSD 180,000.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant</p>

	<p>employment, continuing education and training and traineeships) for young NEETs</p> <ul style="list-style-type: none"> • Introduce counsellors for employers (in pilot branches that do not have them) • Improve the capacities of counsellors for employers 					for NES
Development of additional/complementary employment services	<ul style="list-style-type: none"> • Train employment counsellors to recognise persons who could be involved in RPL • Piloting RPL • Develop support services after inclusion in the measure/employment in the NES portfolio • Introduce complementary services for youth (unemployed single parents of child/children under 7 or families where one spouse is employed and the other is unemployed and has the obligation of caring for child/children) in the form of a cash allowance for childcare <ul style="list-style-type: none"> • Delegate short training courses (digital skills, languages) to partners and private providers • Digitalise the offer of NES services. 	<p>Unemployed Persons looking for employment Young NEETs 10 young people registered in YG included in the RPL piloting procedure 701 young people (unemployed single parents of child/children under 7 or families where one spouse is employed and the other is unemployed and has the obligation of caring for child/children) registered in the YG received a cash allowance for child care</p> <p>1,100 young people registered in YG included in short training courses</p>	National Local	NES SDC “Education to employment” Programme	2023-2026	<p>Source: IPA 2020 – Technical support (MoLEVSA and NES)</p> <p>RSD 3,600,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 – Direct grant for NES / piloting RPL</p> <p>RSD 12,066,444.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES / cash allowance for child care</p> <p>RSD 11,371,500.00 Financial gap for cash allowance for child care for 2025</p> <p>RSD 5,670,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 – Direct grant for NES / cash allowance for child care</p> <p>RSD 14,955,840.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES / short training courses</p> <p>RSD 14,955,840.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA) / short training courses</p>

						<p>RSD 10,080,000.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA) / short training courses</p> <p>RSD 13,440,000.00 NES Financial Plan for 2025 / short training courses</p> <p>RSD 10,080,000.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA) / short training courses</p> <p>RSD 13,440,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 – Direct grant for NES³⁴ / short training courses</p> <p>RSD 9,000,000.00 Source: IPA OP 2024-2027 – Direct grant for NES / for digital skills assessment and self-assessment tools</p>
	<ul style="list-style-type: none"> • Develop tools for assessment and self-assessment of digital skills 					

2.1.4. Offer

As part of the last phase - provision of quality offers to young people who are included in the YG, the planned reform refers to the adoption of the Law on Traineeship, which will harmonise traineeship with the quality criteria established in the Council Recommendation on a quality framework for Traineeships from 2014.³⁵, in order to enable young trainees to gain quality work experience in safe and fair conditions.

For young people who have the knowledge and skills needed in the labour market, the employment counsellor provides the service of employment mediation in accordance with the reported needs of employers. Employment mediation is considered to be the work of connecting persons looking for

³⁴ Planned through IPA Operational Programme 2024-2027, Direct grant for NES which will be implemented in 2026, 2027 and 2028. In the first year of implementation, the funds will be used for the final year, 2026 of implementing the Youth Guarantee.

³⁵ [https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32014H0327\(01\)](https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX:32014H0327(01))

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employment with employers who express the need for employment mediation, for the purpose of establishing an employment relationship or other type of engagement, and is included in the non-subsidized offer within the Youth Guarantee.

Subsidized offers are available for young people who do not have the knowledge and skills required in the reported employment needs or are not sufficiently motivated to work, or have factors that limit them in looking for work, depending on the individual needs of each young person.

The current portfolio of active employment policy measures implemented by the National Employment Service is diverse and designed to respond, as much as possible, to the individual needs of the unemployed. However, there are three major challenges that need to be addressed in order to include these measures in the portfolio of offers within the Youth Guarantee system. The first relates to coverage, namely, in 2020, only 12.8% of the total number of persons registered as unemployed with the National Employment Service had access to (financial) active employment policy measures, due to limited financial resources. Another challenge is the effects of certain active employment policy measures which usually fall under the level achieved in the EU, especially training for the labour market. The third item that deserves attention refers to the application of public procurement rules when contracting training for the labour market. These rules are procedurally complicated and slow down the organisation and implementation of knowledge acquisition and skills development programmes. Through the planned analysis of the prerequisites required for the introduction of training vouchers, as an alternative way for unemployed persons to participate in training, possible changes to the Law on Public Procurement will be proposed in order to facilitate and speed up the implementation of training for the labour market, thereby improving its effects. The implementation of training for the labour market is further hampered by the insufficient offer of accredited training programs within non-formal education, the improvement of which will be worked on as part of the reforms and interventions described in the early intervention phase. This includes the promotion of the accreditation of training programmes at the employer's, that is, the encouragement of employers to establish cooperation with PROAEA, so that trainings at the employer's request could be included within the scope of the Youth Guarantee offer, which the National Employment Service conducts as a measure of active employment policy, but which do not always lead to a recognised qualification (partial qualification). In order to expand the offer of accredited trainings at the employer's and creating partnerships with different actors outside the formal system, in cooperation with SDC - "Education to Employment" Programme, efforts will be made to accredit WBL trainings (work based learning) that have been successfully implemented within this program since 2017, so that they, too, could become part of the offer for young people registered in the Youth Guarantee.

The design of the "My First Salary" programme, as an offer for traineeship, needs to be improved and harmonised with the recommendation on the quality framework, by amending the Regulation on the Youth Employment Promotion Programme "My First Salary"³⁶ in the direction of reducing the duration of the traineeship from nine to six months.

In addition to the active employment policy measures implemented by the National Employment Service, subsidised offers from other authorities will also be included in the Youth Guarantee, primarily those that support youth entrepreneurship. The Ministry of Economy recognised young

³⁶Regulation on the Youth Employment Promotion Programme "My First Salary" ("Official Gazette of the Republic of Serbia", Nos. 107/20, 79/21 and 92/22) <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/107/1/reg>

entrepreneurs as a significant potential for the development of the economy and prepared measures to support their development, so the Program for Encouraging the Development of Entrepreneurship through financial support for business beginners and young people will be included in the Youth Guarantee offer. Youth entrepreneurship should be approached systematically, in order to minimise the likelihood that it generates vulnerable employment and to ensure that starting one's own business is a realistic option for quality youth employment. This approach includes the availability of specialised entrepreneurship training programmes and strong mentoring support during the first years of business. The Ministry of Economy in cooperation with the Development Agency of Serbia (DAS) and accredited regional development agencies (ARDA) provides young entrepreneurs with free non-financial support through a standardised set of services, which consists of available advisory services, mandatory training for business beginners, one or more specialised training and mentoring services lasting up to 40 hours. In addition, the Ministry of Tourism and Youth supports programmes for the development of entrepreneurial competences and culture among young people, with a special focus on groups of young people who are hard-to-employ. It should also be noted that the Chamber of Commerce of Serbia, through its Council for Youth Entrepreneurship, and in cooperation with the Association of Young Businessmen of Serbia and the Youth Business Forum, is working on defining the term "young entrepreneur". The goal is to recognise the young entrepreneur in normative frameworks and within other documents, in order to create appropriate measures of support and relief, and thus facilitate doing business for young people who already run their own businesses, or encourage young people who want to start their own business.

In addition, tax benefits that employers and entrepreneurs can achieve in accordance with the conditions prescribed by the Law on Personal Income Tax and the Law on Contributions for Compulsory Social Insurance will also be considered a subsidised offer of the Youth Guarantee. Namely, although the state does not allocate additional funds here, it waives part of its income in order to encourage the employment of new persons.

SUBSIDISED YOUTH GUARANTEE OFFERS

OFFERS OF EMPLOYMENT:

Subsidised youth employment - financial incentive in a one-time amount to an employer from the private sector for the employment of young unemployed persons from the hard-to-employ category, i.e., monthly wage subsidy for the employment of unemployed young PWDs without work experience.

Subsidised self-employment - includes professional assistance and funds in the form of a one-time subsidy to a young unemployed person for starting their own business, as well as mentoring support.

Internship for young people - is organised with the establishment of an employment relationship for a period of 6 to 12 months for professional training for independent work in the profession and is intended for young people with at least secondary education without work experience.

Acquisition of practical knowledge - entails the acquisition of practical knowledge and skills through the performance of specific tasks by establishing an employment relationship with an employer.

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Public works - are organised with the aim of engaging the hard-to-employ young people and young people in a state of social need, as well as achieving a certain social interest in underdeveloped and devastated areas.

A programme to encourage entrepreneurship through financial support for business beginners and young people.

Tax benefits in accordance with the Law on Personal Income Tax and the Law on Contributions for Compulsory Social Insurance.

OFFERS OF CONTINUED EDUCATION AND TRAINING:

Professional practice - involves professional training for independent work in the profession, without establishing an employment relationship for a maximum of 6 months and is intended for young people with at least secondary education and without work experience.

Training for the labour market - is organised for the purpose of acquiring additional knowledge and skills in order to improve the competences and employability of unemployed persons and leads to the acquisition of recognised qualifications, or parts of qualifications. These trainings are conducted by PROAEA in accordance with accredited training programs within non-formal education, and/or by secondary vocational schools that issue publicly recognized documents.

Training at the employer's request - aims to provide unemployed persons with the knowledge and skills needed to perform tasks at a specific workplace. Trainings are conducted by accredited employers, i.e., employers who have established cooperation with PROAEA and/or secondary vocational schools that issue publicly recognised documents.

Functional Elementary Education of Adults - is intended for unemployed young people without primary education.

OFFERS OF TRAINEESHIP:

Traineeship³⁷.

Youth Employment Promotion Programme "My First Salary"³⁸.

Table 2.1.4: Key reforms and initiatives for the provision of Youth Guarantee offers

Name of the reform/initiative	Key objective(s)	Target group, including number of people covered	Scale	Name and role of the organisation in the	Timetable for implementation	Implementation cost, if applicable and source of funding
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³⁷ It can be an offer after the adoption of the Law on Traineeships.

³⁸ It can be an offer after harmonisation with the Law on Traineeships and the EC Guidelines for the Preparation of the Youth Guarantee Implementation Plans (with regard to the duration of the measure - up to 6 months).

		(if available)		lead and cooperating partners		
Planned reforms						
Adoption of the Law on Traineeship	<ul style="list-style-type: none"> Regulate traineeship in line with the Council Recommendation on a Quality Framework for Traineeships from 2014 Ensure that young people acquire the necessary experience, practical knowledge and skills for their future career 	Youth	National	MoLEVSA (lead) NES Social partners	2023/2024	Source: Budget of the Republic of Serbia - current costs of employees RSD 1,200,000.00 - 2023 Source: SDC "Education to employment" Programme
Planned initiatives						
Conducting an analysis of the prerequisites for the introduction of training vouchers	<ul style="list-style-type: none"> Identifying the necessary changes to the existing legislative framework, primarily the Law on Public Procurement for the introduction of training vouchers Improving the organisation and implementation of training for the labour market Improving the availability and effects of training for the labour market 	Unemployed Young NEETs	National	MoLEVSA NES Ministry of Finance	2024	Source: IPA 2020 - Technical support (MoLEVSA and NES)
Employment mediation	<ul style="list-style-type: none"> Employment of youth 	1,700 young NEETs	National Local	NES	2024 - 2026	Current costs of employees
Subsidies for the employment of young people from the category of hard-to-employ and young PWDs without work experience	<ul style="list-style-type: none"> Encourage employers to hire hard-to-employ young people Encourage employers to employ young PWDs without work experience 	468 young NEETs and young PWDs	National Local	NES	2024 - 2026	RSD 36,832,896.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES RSD 22,923,926.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA) RSD 19,191,600.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA) RSD 31,566,000.00 Source: NES Financial Plan for

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						<p>2025</p> <p>RSD 19,191,600.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 31,566,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES</p>
Subsidy for self-employment	<ul style="list-style-type: none"> Support the youth in launching own business by awarding them a subsidy for self-employment and providing mentoring support. 	1,340 Young NEETs	National Local	NES	2024 - 2026	<p>RSD 52,733,340.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p> <p>RSD 51,005,340.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 52,017,600.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA)</p> <p>RSD 58,012,800.00 Source: NES Financial Plan for 2025</p> <p>RSD 52,017,600.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 4,320,000.00 Source: NES Financial Plan for 2026 / mentoring</p> <p>RSD 53,692,800.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES/Subsidy for self-employment</p>
Internship for young people	<ul style="list-style-type: none"> Provide professional training for young people for independent work in a profession for which they have 	626 Young NEETs	National Local	NES	2024-2026	<p>RSD 116,572,560.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p>

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	acquired the appropriate education while establishing an employment relationship					<p>RSD 77,305,968.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 77,205,600.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA)</p> <p>RSD 83,144,400.00 Source: NES Financial Plan for 2025</p> <p>RSD 72,454,560.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 83,144,400.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES</p>
Acquisition of practical knowledge	<ul style="list-style-type: none"> Enable young people to acquire practical knowledge and skills through the performance of specific jobs by establishing an employment relationship with the employer 	318 Young NEETs	National Local	NES	2024-2026	<p>RSD 24,541,440.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p> <p>RSD 12,270,720.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 8,316,000.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA)</p> <p>RSD 17,820,000.00 Source: NES Financial Plan for 2025</p> <p>RSD 8,910,000.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 14,850,000.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES</p>

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Public works	<ul style="list-style-type: none"> Facilitate work engagement of hard-to-employ youth and youth in a state of social need 	110 Young NEETs	National Local	NES	2024-2026	<p>RSD 7,822,560.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p> <p>RSD 5,680,800.00 Source: NES Financial Plan for 2025</p> <p>RSD 5,680,800.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES</p>
A programme to encourage the development of entrepreneurship through financial support for business beginners and young people	<ul style="list-style-type: none"> Provide support to young people in the initial phase of business and those who just want to start their own business Encouraging entrepreneurship as a career option 	Young NEETs	National Local	Ministry of Economy	2024-2026	<p>Source: Budget of the Republic of Serbia (Ministry of Economy)</p> <p>2024 - within RSD 310 million 2025 - within RSD 320 million 2026 - within RSD 330 million Source: Budget of the Republic of Serbia</p>
Tax benefits in accordance with the Law on Personal Income Tax and the Law on Contributions for Compulsory Social Insurance	<ul style="list-style-type: none"> Encourage employers to hire new people 	Unemployed Young NEETs	National	Ministry of Finance Tax Administration	2024-2026	Source: Budget of the Republic of Serbia (Ministry of Finance)
Professional practice	<ul style="list-style-type: none"> Provide young people with professional training for independent work in a profession for which appropriate education has been acquired, for a duration of 6 months, without establishing an employment relationship 	380 Young NEETs	National Local	NES	2024-2026	<p>RSD 12,500,000.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 12,500,000.00 Source: NES Financial Plan for 2024</p> <p>RSD 14,000,000.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA)</p> <p>RSD 35,000,000.00 Source: NES Financial Plan for 2025</p> <p>RSD 18,000,000.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 45,000,000.00</p>

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						Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES
Training for the labour market	<ul style="list-style-type: none"> • Enable young people to acquire professional theoretical and practical knowledge and skills in accordance with the needs of the labour market and employers • Improve the employability of young people without qualifications or with low qualifications • Enable young people to acquire the necessary knowledge and skills to work in the ICT sector 	665 Young NEETs	National Local	NES	2024-2026	<p>RSD 58,899,240.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p> <p>RSD 8,834,886.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 13,363,200.00 Source: Budget of the Republic of Serbia for 2025 (MoLEVSA)</p> <p>RSD 22,272,000.00 Source: NES Financial Plan for 2025</p> <p>RSD 13,363,200.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>22.272.000,00 РСД Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES</p>
Training at the employer's request	<ul style="list-style-type: none"> • Enable young people to acquire the knowledge and skills needed to perform work at a specific workplace at the employer's request through accredited trainings. 	310 Young NEETs	National Local	NES	2024-2026	<p>RSD 37,118,880.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant for NES</p> <p>RSD 5,692,800.00 Source: Budget of the Republic of Serbia for 2024 (MoLEVSA)</p> <p>RSD 14,232,000.00 Source: NES Financial Plan for 2025</p> <p>RSD 5,692,800.00 Source: Budget of the Republic of Serbia for 2026 (MoLEVSA)</p> <p>RSD 14,232,000.00 Source: NES Financial Plan for</p>

						2026 RSD 5,692,800.00 Source: Budget of the Republic of Serbia and IPA OP 2024-2027 - Direct grant for NES
Functional Elementary Education of Adults	<ul style="list-style-type: none"> Offer young people without completed primary education the opportunity to obtain their first qualification 	240 Young NEETs	National Local	NES	2024-2026	RSD 2,400,000.00 Source: Financial Plan of the NES for 2024-2026

2.2. Cross-cutting enablers

The smooth implementation of the Youth Guarantee requires the building of strong partnerships at the institutional level, especially between **departments** responsible for labour and employment, education, youth, economy and finance, with employers, as well as with CSOs and youth offices in order to implement activities to reach out to, empower and raise awareness among young people about the support available to them. Monitoring the implementation of the Youth Guarantee and the effects of planned reforms and interventions is of key importance for continuous adjustment and improvement of the Youth Guarantee programme, in order to respond to the needs of young NEETs in the most efficient way. The National Employment Service is responsible for monitoring the implementation of Youth Guarantee and collecting the necessary data for the indicators of direct and subsequent monitoring, while the Statistical Office of the Republic of Serbia will provide the data needed for indirect monitoring. Funds for the implementation of reforms and interventions planned within the Implementation Plan, including the provision of subsidised preparation and supply services, will be provided within the budget of the Republic of Serbia, the financial plan of the National Employment Service, the budget of local self-governments, IPA funds and donor projects of technical cooperation in the field of employment and education. In addition, a financial gap is reported for a certain number of planned interventions, since it is currently uncertain from which funds their financing will be provided. In order to ensure the effective management of the Youth Guarantee and the provision of services within the Youth Guarantee, it is planned to improve the organisational structure and engage additional human resources within the Ministry of Labour, Employment, Veteran and Social Affairs and the NES, while for the purposes of implementing outreach activities, efforts will be made to improve the capacity of CSOs and youth offices in accordance with the prepared Model for outreach.

2.2.1. Mobilising partnerships

The institutional framework of the Youth Guarantee in the Republic of Serbia is as follows:

The Ministry of Labour, Employment, Veteran and Social Affairs, more precisely the internal organisational unit in the Department for Labour and Employment has the function of the Youth Guarantee Coordinator and is responsible for coordinating, monitoring and reporting to the Government of the Republic of Serbia and the European Commission on the progress of reforms and interventions foreseen in the Implementation Plan, as well as to

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manage data collection and evaluate the impact of offers made to young NEETs. The Ministry of Labour, Employment, Veteran and Social Affairs presides over the Coordination Body for drafting and monitoring of the implementation of the Youth Guarantee Implementation Plan, as well as the Expert Group of the Coordination Body.

The Coordination Body has the task of providing guidelines and overseeing the development and implementation of the Implementation Plan, directing the work of state bodies in implementing recognised reforms and initiatives, reviewing the results and indicators of the implementation of the Youth Guarantee and making recommendations for improvement, while the Expert Group of the Coordination Body carries out preparatory activities for the preparation of the Youth Guarantee Implementation Plan, monitors its implementation and reports on the undertaken activities to the Coordination Body. The role of these bodies does not end with the adoption of the Implementation Plan, but it continues also in the phases of its implementation and reporting.

The National Employment Service is the main implementing partner and entry point of the Youth Guarantee and is responsible for providing preparation services and offers to young NEETs registered in the Youth Guarantee. In addition, the National Employment Service is responsible for direct and follow-up monitoring of the Youth Guarantee implementation in line with the Indicator Framework for monitoring the Youth Guarantee.

The Ministry of Education (and other competent authorities in the education sector) are primarily responsible for the early intervention phase, i.e., the implementation of recognised reforms and initiatives aimed at preventing the entry of young people into NEET status through improving the quality and relevance of formal education, expanding the scope of dual education and coordinating the development of the CGC system. In addition, the Ministry of Education is also responsible for improving the offer of non-formal education and developing the RPL procedure, through a single integrated system of NQFS, in order to enable young NEETs without appropriate qualifications to acquire the knowledge and skills needed to enter the labour market.

The narrower composition of the Expert Group of the Coordination Body, consisting of the Ministry of Tourism and Youth, Ministry of Labour, Employment, Veteran and Social Affairs, National Employment Service and National Youth Council of Serbia, will be responsible for the development of the Model for outreach and activation of young NEETs outside the system, as well as for the coordination of the piloting of outreach activities in the territory of three branches of the National Employment Service. The possibility envisaged in the Decision on the establishment of the Coordination Body that representatives of other bodies and organisations can participate in its work if needed and at the invitation of the President, will be used in order to include other recognised actors, primarily SDC - the "Education to Employment" Programme, that will develop the training program for outreach and activation of young NEETs based on the developed Model and also conduct trainings. The Ministry of Tourism and Youth should take the primary role in promoting outreach activities to be implemented by youth CSOs, youth offices and youth workers. The responsibility and tasks of CSOs, but also youth offices, that should identify and reach out to young NEETs who are furthest from the labour market and offer them individualised support, will be specified within the Model for outreach.

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The Ministry of Economy is responsible for providing financial support to young people who want to start their own business, as part of the Youth Guarantee offer. In addition, in order to make starting your own business an option for quality employment of young people, the Ministry of Economy in cooperation with the Development Agency of Serbia and Accredited Regional Development Agencies provides young entrepreneurs with free non-financial support through a standardised set of services, which consists of available advisory services, mandatory training for business beginners, one or more specialised training and mentoring services.

The Ministry of Finance is responsible for determining the right to receive tax benefits for the employment of new persons and the conditions under which they can be granted within the framework of the Law on Personal Income Tax and the Law on Contributions for Compulsory Social Insurance, while the Tax Administration is responsible for their implementation and monitoring.

The narrower composition of the Expert Group of the Coordination Body, which consists of the Ministry of Labour, Employment, Veteran and Social Affairs, National Employment Service, Ministry of Education, Ministry of Economy, Statistical Office of the Republic of Serbia and National Youth Council of Serbia, will work on the establishment of a system for monitoring the Youth Guarantee, data exchange and interoperability of various databases. The Decision on the establishment of the Coordination Body left the possibility that representatives of other bodies and organisations can participate in the work if necessary and at the invitation of the President, and it will be used to include other recognised actors, in the first place the Central Register of Compulsory Social Insurance (CRCSI).

The role of CSOs is primarily recognised in the implementation of outreach activities for young people. However, it should be borne in mind that the planned Model for outreach and activation of young NEETs outside the system will not limit the role of CSOs only to outreach, but also to a kind of preparation and empowerment of young people to get involved in the Youth Guarantee (which may include referral and connection of young people with relevant service providers, acquisition of soft skills, career counselling, etc.). Additionally, CSOs will have the task of collecting additional information about the characteristics and needs of young people, in order to investigate the reasons for their inactivity, aimed at creating appropriate approaches for their activation. In order for CSOs to successfully implement these activities, regularly report on them and contribute to the monitoring of their effects, it is necessary to improve their capacities³⁹.

Social partners should contribute to the implementation of the Youth Guarantee policy framework. Employers' associations and organisations are responsible for animating and activating their members in order to ensure the participation of employers in dual education and other forms of work

³⁹ The conducted *Research on the needs of actors for the implementation of integrated services (one-stop-shop) for the employability of young NEETs with a focus on 4.0. industrial revolution*, Centre for Youth Work, 2020, indicates insufficient capacities of CSOs to implement outreach activities. Although almost four fifths of the surveyed CSOs have experience in implementing projects that dealt with NEET unemployment, very few of them have experience in outreach activities (11%). As a key problem, when it comes to the implementation of projects in the field of NEET, according to the views of CSOs, the difficulty in finding the NEET population (34.3%) stands out. In addition, the weak response of CSOs to the invitation of the MoLEVSA to fill in the questionnaires needed for their mapping, that is, the mapping of the support they provide to young people, indicates a weak interest or lack of information on the part of CSOs.

based learning in non-formal education, but also a sufficient volume of offers for employment and traineeships for young people, while trade unions will be responsible for ensuring the quality of offers provided to young people within the framework of the Youth Guarantee, as well as for providing information and raising youth awareness about the rights of young people at work and related to work.

With the support of the Standing Conference of Towns and Town Municipalities, local self-governments should ensure the harmonisation of local planning documents and the coordination of initiatives that may have a direct or indirect impact on the implementation of Youth Guarantee services at local level, as well as establish appropriate platforms for continuous dialogue and cooperation between different actors at local level.

An additional partnership is established with the International Labour Organization, which will continue to provide the necessary support in the implementation phase of the Implementation Plan, through EC-ILO Technical Support.

Table 2.2.1: Key actors and organisations that will support and deliver the Youth Guarantee

Name of organisation	Type of organisation	Level of responsibility	Role in implementing the Youth Guarantee scheme	Ensuring the partnership success
Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA)	Public administration authority	National	Coordinator of the YG Monitoring and reporting to the Government of the Republic of Serbia and the EC on the progress of reforms and interventions foreseen in the Implementation Plan Managing data collection and evaluating the impact of the YG Presiding over the Coordinating Body and the Expert Group of the Coordination Body	
National Employment Service (NES)	Public administration authority	National	Main implementation partner of the YG Entry point of the YG Data collection for monitoring direct and follow-up indicators of the YG	
Ministry of Education	Public administration authority	National	The main partner in the implementation of early intervention reforms and initiatives	
Qualifications Agency (QA)	Public administration authority	National	Comprehensive monitoring of the implementation of CGC standards. Development of market-relevant qualification standards and accreditation of training programs in non-formal education for other organisations.	
Office for Dual Education and National Qualifications Framework (ODENQF)	Public administration authority	National	Expansion of dual education coverage Preparation of by-laws arising from the Law on NQFS, which regulates the services of CGC, RPL, training, etc. Harmonisation of the NQFS system with sectoral policies	
Ministry of Tourism and Youth (MoTY)	Public administration authority	National	Main partner in development and implementation of outreach activities and activation of young NEETs	
Ministry of Economy	Public administration	National	Partner in the implementation of offers for self-employment of young NEETs	

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	authority			
Ministry of Finance	Public administration authority	National	Partner in the realisation of tax benefits for the employment of young NEETs	
Tax Administration	Public administration authority	National	Partner in monitoring the implementation of the YG	
National Youth Council of Serbia (NYCS)	Association	National Local	Participates in the development of the Model for outreach and activation of young NEETs outside the system and the coordination of piloting outreach activities for young NEETs outside the system, and in mapping of available services to young people at the local level	
Civil society organisations (CSOs)	CSOs	Local	Implementation of outreach and activation activities for young NEETs outside the system	
Employers' organisations	Social partners	National Local	Participation in dual education and non-formal types of work based learning Cooperation with the NES and the Ministry of Education	
Trade unions	Social partners	National Local	Participation in the preparation and adoption of normative and strategic documents Organising info sessions on the rights of young people at work and related to work	
Statistical Office of the Republic of Serbia (SORS)	Public administration authority	National	Monitoring macroeconomic indicators of the YG Establishing and coordinating the single Labour Market Information System (LMIS)	
Local self-governments	Local administration authorities	Local	Ensuring compliance of local planning documents and coordination of local initiatives and activities relevant for the delivery of YG services	
Standing Conference of Towns and Town Municipalities (SCTM)	Association	Local	Support local self-governments in establishing appropriate platforms for continuous dialogue and cooperation between different local actors. Support in organising the exchange of experiences and examples of good practise between local self-governments in collecting information and mapping services provided to young people.	
The Swiss Agency for Development and Cooperation (SDC)	Agency for Development and Cooperation	National Local	Supporting the Ministry of Education and MoLEVSA in improving the strategic and normative framework, develop NQFS and NSCO. Participates in the development of the Model for outreach and activation of young NEETs who are outside the system, as well as the development of training programs for reaching out to and activating young NEETs youth and the realization of trainings for reaching out to young NEETs. Development of individualized support for persons included in AEP measure (post-placement support).	
UN Women	United Nations Agency for Gender Equality and the	National	Conducting research on reconciliation of work and family life of young NEET women	

	Empowerment of Women			
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2.2.2. Improving data collection, monitoring and evaluation of the Youth Guarantee

The main areas related to data collection have already been highlighted in the mapping phase (mapping of young NEETs for 2021 and 2022, collection of additional information on inactive youth on the National Employment Service registry, research on young women with family and care responsibilities).

Monitoring the implementation of planned reforms and initiatives is the primary responsibility of the Youth Guarantee Coordinator (collection of information and data from partners and preparation of annual reports). The Decision on the establishment of the Coordination Body for the preparation and monitoring of the implementation of the Youth Guarantee Implementation Plan stipulates the obligation of the members of the Coordination Body to report on the implementation of reforms and interventions within the competence of the authorities or organisations they represent, as well as the responsibility of the Expert Group to monitor the implementation of the Implementation Plan and to report on the undertaken activities to the Coordination Body. Additionally, it is stipulated that the Coordination Body is to submit a report to the Government of the RS at least once a year, while the reporting to the European Commission will be carried out in accordance with the agreed dynamics.

All authorities and organizations participating in the implementation of the Youth Guarantee are obliged to regularly exchange information on the number and structure of youth involved in the Youth Guarantee, in compliance with the provisions of the Law on Personal Data Protection, and for the purpose of reporting and monitoring the effects of the Youth Guarantee.

Indicator Framework for monitoring the Youth Guarantee⁴⁰ includes three categories of indicators that are collected and reported on annually: aggregate monitoring (macroeconomic indicators), direct monitoring of the Youth Guarantee delivery (inflow/outflow indicators) and follow-up monitoring (indicators results/outcomes). Macroeconomic indicators are used to **indirectly monitor** the effects of the Youth Guarantee implementation, as well as the impact of early intervention on the prevention of youth entry into NEET status. The main aggregate indicator is the NEET rate, supplemented by additional indicators on the situation in the labour market and youth education. The Statistical Office of the Republic of Serbia will provide data necessary for reporting on aggregated macroeconomic indicators. **Direct monitoring** is used to monitor the delivery/implementation of the Youth Guarantee and is based on the analysis of inflows and outflows of young Youth Guarantee users. It envisages three indicators of implementation: the share of young people who are still in the preparation phase after four months; share of young people with a positive and timely exit from the preparation phase, and coverage of the Youth Guarantee. **Follow-up monitoring** is used to monitor the sustainability of the outcomes achieved by individuals involved in the Youth Guarantee and includes two outcome indicators: the situation of young people after 6,

⁴⁰ Indicator Framework for Monitoring the Youth Guarantee, EUROPEAN COMMISSION-EMCO, 2017, <https://ec.europa.eu/social/BlobServlet?docId=13402&langId=en>

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12 and 18 months from exiting the Youth Guarantee preparatory phase and the situation after exiting preparatory phase by type of offer (employment; education and training; traineeship). The National Employment Service is responsible for collecting data for measuring indicators of direct and follow-up monitoring of the Youth Guarantee.

In order to fulfil this function, the National Employment Service will upgrade its ICT platform for data management and processing and adjust its internal procedures to enable the smooth implementation of the Youth Guarantee monitoring system (precise definition of entry into the Youth Guarantee, exit from the preparation phase, definition and separation of quality offer, start of offer, etc.)

Work on ensuring data exchange and interoperability of the ICT platform of the National Employment Service with other institutions will take place within the narrower composition of the Expert Group of the Coordination Body. A special challenge is the exchange of data with the Ministry of Economy, which does not have an established information system, i.e., a platform for monitoring the support provided to young entrepreneurs.

It is expected that the establishment of a unified labour market information system (LMIS), which will be worked on by the Statistical Office of the Republic of Serbia as part of the IPA 2022 programming cycle, will improve the monitoring of the situation and movements in the labour market, the overview of trends and the future needs of employers, both nationally and locally as a significant input for the creation of data-based employment policies and educational policies. The above entails that information on the demand side of the labour market will finally be available, through the introduction of a survey on vacancies and the establishment of a register of vacancies based on the database of the National Employment Service, employment agencies and others. A significant novelty is the implementation of a survey on the skills of adults, which should indicate the existing gap in skills in the labour market.

Table 2.2.2: Key reforms and initiatives to improve the data collection, monitoring and evaluation

Name of the reform	Expected change	Means through which the change will be measured	Source of information / planned evaluations
Amendments to the normative framework in order to achieve a unified approach when connecting electronically with the appropriate records maintained by the competent authorities	Universal monitoring of the situation of young people involved in the YG within the framework of various electronic records	Availability of data on the situation of each person registered in the YG in real time	“Official Gazette of the Republic of Serbia”
Name of the special initiative	Expected change	Means through which the change will be measured	Source of information / planned evaluations
Upgrade of the NES ICT platform for data management and processing, as well as reporting	Establishing and developing a framework for monitoring the YG, i.e., continuous monitoring of the situation of young people who have registered for inclusion in the YG	Availability of data for calculation of indicators of direct and follow-up monitoring	NES reports
Ensuring the interoperability of the NES ICT platform with other institutions	Establishing and developing a framework for monitoring the YG, i.e., continuous monitoring of the situation of young people who have registered in the YG	Availability of data for calculation of indicators of follow-up monitoring	NES reports
Development of the internal procedures of the NES	Enabled provision of services in the YG system	Availability of data on services provided to young	NES reports

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in order to enable the smooth implementation of the YG service provision system		people from the YG	
Establishing a unified labour market information system (LMIS)	Improved information on the state and trends in the labour market at the national and local level	Availability of data on the local level. Availability of data on job vacancies. Availability of data on required skills in the labour market.	SORS reports

2.2.3. Making optimal use of funds

The estimated costs of policy reforms and initiatives (measures) planned in the Implementation Plan amount to about 4.5 billion RSD (around 37.7 million EUR). The state budget, current and future, will provide 72.9% of the funds, while 24.7% of the funds will be provided from other known sources of financing (EU funds, donor funds, etc.), whereas for certain reforms and initiatives (measures), there is a financial gap representing 2.4% of the total estimated costs.

The EU funds (IPA 2020 - Technical support in the field of education and employment and Direct grant for NES, Operational Programme 2024-2027, EU/UN Women) will represent a key contribution to the financial needs of the Implementation Plan, amounting to 17% of the funds. Please note that the IPA Operational Program 2024-2027 was prepared for Window 4, Thematic Priority: Education, employment, social protection and inclusion, and health. Support by areas, amounts of funds and years of implementation will be confirmed by the signing of the Financial Agreement between the Republic of Serbia and the European Commission.

For the estimated financial gap of approximately RSD 107 million, which represents 2.4% of the total estimated costs, it is necessary to provide the missing funds from the state budget, LSGUs budgets, autonomous province budget or from donor funds.

For certain areas of support, funds are expected to be available during the piloting of the Youth Guarantee.

Also, the areas of support confirmed by the signing of the Financial Agreement (IPA Operative Programme 2024-2027) will enable not only the financing of the Youth Guarantee in 2026, but also (after the end of the first Implementation Plan) the support in the period 2027-2030 for the implementation of the Youth Guarantee in the entire territory of the Republic of Serbia.

Table 2.2.3: Funding of the Youth Guarantee

Name of the reform/initiative	Years for which funding is planned	Sources and levels of funding					Number of beneficiaries planned (where applicable)			Costs per beneficiary (where applicable) ⁴¹
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Male	Female	Total	
Planned reforms										
Amendments to relevant laws and by-laws in the field of education	2023-2026	/	(Ministry of Education) RSD 18,000,000.00 IPA 2020*	/	/	RSD 13,200,000.00 SDC project "Support for the reform of the dual system of secondary vocational education and the National Framework of Qualifications in the light of lifelong learning in Serbia"	N/A	N/A	N/A	N/A
Development of the career guidance and counselling (CGC) system	2023-2026	RSD 2,800,000.00 – 2023 (RSD 800,000.00 Ministry of Education and RSD 2,000,000.00 MoTY) RSD 3,800,000.00 – 2024 (RSD 800,000.00 Ministry of Education and RSD 3,000,000.00 MoTY) RSD 2,900,000.00 – 2025 (RSD 900,000.00 Ministry of Education and RSD 2,000,000.00 MoTY) RSD 900,000.00 – 2026 (Ministry of Education)	(ODENQF) RSD 12,000,000.00 IPA 2020*	/	/	RSD 3,600,000.00 - 2023 SDC - "Education to Employment" Programme RSD 2,768,000.00 – 2023 The Youth Alliance of the Association 'Novi Sad Youth Capital of Europe – OPENS RSD 24,000,000.00 Financial gap for CGC Portal**	N/A	N/A	N/A	N/A
Establishment of a legislative and institutional framework for the further development of the NCSO	2023-2026	Current costs of employees	/	/	/	RSD 6,000,000.00 - 2023 SDC - "Education to Employment" Programme	N/A	N/A	N/A	N/A

⁴¹ The column contains the average costs of the measure per user in the period 2024-2026, taking into account that the price of the measure is affected by the level of the minimum wage in the Republic of Serbia, the market price of training, exchange rate changes, etc.

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of funding					Number of beneficiaries planned (where applicable)			Costs per beneficiary (where applicable) ⁴¹
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Male	Female	Total	
Planned initiatives (measures)										
Mapping of young NEETs 2021/2022	2023	/	/	/	/	Technical support EC-ILO	N/A	N/A	N/A	N/A
Identification of young NEETs who are on the NES registry, but are far from the labour market	2025-2026	Current costs of employees	/	/	/	/	N/A	N/A	N/A	N/A
Research on reconciliation of work and family life of young NEET women	2023	/	UN Women Project "Support to Priority Actions for Gender Equality in Serbia II"	/	/	/	N/A	N/A	N/A	N/A
Mapping services and available support for young people at the local level	2023-2025	/	IPA 2020 – Technical support	/	/	/	N/A	N/A	N/A	N/A
Expansion of dual education coverage	2023-2026	(ODENQF) RSD 10,000,000.00 - 2023 RSD 10,000,000.00 - 2024 RSD 10,000,000.00 - 2025 RSD 10,000,000.00 - 2026	/	/	/	RSD 19,416,000.00 SDC project "Support for the reform of the dual system of secondary vocational education and the National Framework of Qualifications in the light of lifelong learning in Serbia"	N/A	N/A	N/A	N/A
Expanding the offer of non-formal education	2023-2026	(ODENQF) RSD 296,000,000.00 - 2023 RSD 296,000,000.00 - 2024 RSD 296,000,000.00 - 2025 RSD 296,000,000.00 -	(Ministry of Education) RSD 24,000,000.00 IPA 2020*	/	/	RSD 60,000,000.00 Financial gap to support the development of a training centre**	N/A	N/A	N/A	N/A

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of funding					Number of beneficiaries planned (where applicable)			Costs per beneficiary (where applicable) ⁴¹
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Male	Female	Total	
		2026								
Implementation and continuous improvement of the RPL procedure	2023-2026	/	(Ministry of Education) RSD 66,720,000.00 IPA 2020*	/	/	/	N/A	N/A	N/A	N/A

* The stated amount of funds from IPA 2020 is a projection, since at the time of preparation of the Action Plan for the period from 2023 to 2026 for the implementation of the Strategy for the Development of Education and Training in the Republic of Serbia until 2030, the implementation of the IPA 2020 project had not begun.

** The stated amount of funds is a projection of the required funds since no donor has been secured for the implementation of the mentioned activities, i.e. no funds have been contracted that will be determined for these activities at the time of preparation of the Action Plan for the period from 2023 to 2026 for the implementation of the Education Development Strategy and education in the Republic of Serbia until 2030.

Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
Planned reforms										
The development and adoption of the new Law on Youth	2024 and 2025	(MoTY) RSD 1,000,000.00 - 2024 RSD 1,000,000.00 - 2025	/	/	/	/	N/A	N/A	N/A	N/A
Development of a Model for outreach and activation of young NEETs outside the system	2023	/	(MoLEVSA and NES) IPA 2020 - Technical support	/	/	ILO - Technical support	N/A	N/A	N/A	N/A

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
Planned initiatives (measures)										
Professionalisation of youth work	2023-2025	(MoTY) RSD 5,520,000.00 - 2023 RSD 5,520,000.00 - 2024 RSD 6,020,000.00 - 2025	/	/	/	RSD 393,111,000.00 2023-2025 The Foundation Tempus	N/A	N/A	N/A	N/A
Piloting of the Model for reaching and activating young NEETs who are outside the system - implementation of outreach activities by CSOs	2024-2026	(MoLEVSA) RSD 972,000.00 – 2024 (co-financing Direct grant to NES)	RSD 2,628,000.00 IPA 2020 - Direct grant to NES	/	/	RSD 12,000 Financial gap for piloting of the Model for reaching and activating young NEETs who are outside the system in 2025 and 2026	N/A	N/A	8,666	RSD 1,800

Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
Planned reforms										
Amendments to the Law on Employment and Unemployment Insurance	2023-2025 Adoption in the third quarter of 2025.	Current costs of employees	/	/	/	RSD 5,500,000.00 - 2023 SDC - "Education to Employment" Programme	N/A	N/A	N/A	N/A
Planned initiatives										

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Introduction and continuous improvement of online (pre)registration and statistical profiling	2023-2026	(MoLEVSA) RSD 2,754,000.00 - 2024 (co-financing Direct grant to NES) RSD 1,800,000 - 2026 (OP co-financing)	RSD 7,446,000.00 IPA 2020 - Direct grant to NES RSD 7,200,000.00 IPA OP 2024-2027 – Direct grant for NES	/	/	/	N/A	N/A	N/A	N/A
Strengthening the capacity of employment counsellors for individualised access to unemployed persons	2023-2026	/	(MoLEVSA and NES) IPA 2020 - Technical support	/	/	/	N/A	N/A	N/A	N/A
Improvement of the procedure and technique for agreeing and revising individual employment plans	2023-2026	/	(MoLEVSA and NES) IPA 2020 - Technical support	/	/	/	N/A	N/A	N/A	N/A
Implementation and continuous improvement of the mediation in employment	2023-2026	Current costs of employees	/	/	/	/	N/A	N/A	N/A	N/A
Improvement of cooperation with employers	2023-2026	(MoLEVSA) RSD 48,600.00 - 2024 (co-financing Direct grant to NES)	RSD 131,400.00 IPA 2020 - Direct grant to NES (MoLEVSA and NES) IPA 2020 - Technical support	/	/	/	N/A	N/A	N/A	N/A
Development of additional/complementary employment services	2023-2026	Cash allowance for child care (MoLEVSA) RSD 3,257,940.00 – 2024 (co-financing Direct grant to NES)	RSD 8,808,504.00 in 2024 IPA 2020 - Direct grant to NES	/	/	RSD 11,371,500.00 Financial gap for allowance for child	N/A	N/A	Cash allowance for child care 701 unemployed youth (single)	RSD 41,634.00

		<p>RSD 1,134,000.00 - 2026 OP co-financing</p> <p>Short training courses (MoLEVSA) RSD 4,038,077.00 - 2024 (co-financing Direct grant to NES)</p> <p>(MoLEVSA) RSD 14,955,840.00 - 2024 (RS budget)</p> <p>(MoLEVSA) RSD 10,080,000.00 - 2025 (RS budget)</p> <p>RSD 13,440,000 - 2025 NES Financial Plan</p> <p>(MoLEVSA) RSD 10,080,000.00 - 2026 (RS budget)</p> <p>RSD 2,688,000.00 - 2026 (co-financing OP)</p> <p>RSD 1,800,000 - 2026 (OP co-financing) / digital skills assessment and self-assessment tools</p>	<p>RSD 4.536.000,00 – IPA OP 2024-2027 - Direct grant to NES</p> <p>RSD 10,917,763.00 IPA 2020 – Direct grant to NES</p> <p>RSD 10,752,000.00 IPA OP 2024-2027 - Direct grant to NES / short training courses</p> <p>RSD 7,200,000.00 IPA OP 2024-2027 – Direct grant for NES / digital skills</p>			care for 2025			<p>parents of child/children under 7 or families where one spouse is employed and the other is unemployed and has the obligation of caring for child/children)</p> <p>Short training courses</p> <p>1,1000 (short training courses on increase of employability)</p>	RSD 69,726.00
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		RSD 720,000.00 – 2026 OP co-financing / RPL piloting	assessment and self-assessment tools RSD 2,880,000.00 – IPA OP 2024-2027 – Direct grant for NES / RPL piloting (MoLEVSA and NES) IPA 2020 - Technical support							10 (RPL piloting procedure)	RSD 360,000.00
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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
Planned reforms										
Adoption of the Law on Traineeship	2023/2024	Current costs of employees	/	/	/	RSD 1,200,000.00 - 2023 SDC - "Education to Employment" Programme	N/A	N/A	N/A	N/A
Planned initiatives										
Creating an analysis of the prerequisites for the introduction of training vouchers	2024	/	(MoLEVSA and NES) IPA 2020 - Technical support	/	/	/	N/A	N/A	N/A	N/A
Employment mediation	2024-2026	Current costs of employees	/	/	/	/	N/A	N/A	1,770	N/A

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
OFFER										
Subsidies for the employment of young people from the category of hard-to-employ and young PWDs without work experience	2024-2026	(MoLEVSA) RSD 9,944,882.00 - 2024 (co-financing Direct grant to NES) (MoLEVSA) RSD 22,923,926.00 2024 (RS budget) (MoLEVSA) RSD 19,191,600.00 2025 (RS budget) RSD 31,566,000.00 2025 NES Financial Plan (MoLEVSA) RSD 19,191,600.00 2026 (RS budget) RSD 6,313,200.00 - 2026 (co-financing OP)	RSD 26,888,014.00 IPA 2020 - Direct grant to NES RSD 25,252,800.00 IPA OP 2024-2027 – Direct grant to NES	/	/	/	N/A	N/A	390 (hard-to-employ categories) 78 (PWDs without work experience)	RSD 291,454.00 RSD 642,292.00
Subsidy for self-employment,	2024-2026	(MoLEVSA) RSD 14,238,002.00 - 2024 (co-financing Direct grant to NES) (MoLEVSA) RSD 51,005,340.00 2024 (RS budget) (MoLEVSA) RSD 52,017,600.00 2025 (RS budget)	RSD 38,495,338.00 IPA 2020 - Direct grant to NES	/	/	/	N/A	N/A	840 (subsidy for self-employment) 500 (mentoring)	RSD 361,345.00 RSD 43,200.00

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
		RSD 58,012,800.00 2025 (NES Financial Plan) (MoLEVSA) RSD 52,017,600,00 2026 (RS budget) RSD 4,320,000.00 2026 (NES Financial Plan / mentoring)								
		RSD 10,738,560.00 - 2026 (co-financing OP / employment subsidy)	RSD 42,954,240.00 IPA OP 2024- 2027 – Direct grant to NES / employment subsidy							
Internship for young people	2024-2026	(MoLEVSA) RSD 31,474,591.00 - 2024 (co-financing Direct grant to NES) (MoLEVSA) RSD 77,305,968.00 2024 (RS budget) (MoLEVSA) RSD 77,205,600.00 2025 (RS budget) RSD 83,144,400.00 2025 (NES Financial Plan) (MoLEVSA)	RSD 85,097,969.00 IPA 2020 - Direct grant to NES	/	/	/	N/A	N/A	366 (higher education) 260 (secondary education)	RSD 1,119,062.00 RSD 419,667.00

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
OFFER		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
		RSD 72,454,560.00 2026 (RS budget) RSD 16,62,880.00 - 2026 (co-financing OP)	RSD 66,515,520.00 IPA OP 2024- 2027 – Direct grant to NES							
Acquisition of practical knowledge	2024-2026	(MoLEVSA) RSD 6,626,189.00 - 2024 (co-financing Direct grant to NES) (MoLEVSA) RSD 12,270,720.00 2024 (RS budget) (MoLEVSA) RSD 8,316,000.00 2025 (RS budget) RSD 17,820,000.00 2025 (NES Financial Plan) (MoLEVSA) RSD 8,910,000.00 2026 (RS budget) RSD 2,970,000.00 - 2026 (co-financing OP)	RSD 17,915,251.00 IPA 2020 - Direct grant to NES RSD 11,880,000.00 IPA OP 2024- 2027 – Direct grant to NES	/	/	/	N/A	N/A	318	RSD 279,805.00
Public works	2024-2026	(MoLEVSA) RSD 2,112,091.00 - 2024 (co-financing Direct grant to NES)	RSD 5,710,469.00 IPA 2020 - Direct grant to NES	/	/	/	N/A	N/A	110	RSD 178,390.00

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
OFFER		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
		RSD 5,680,800.00 2025 (NES Financial Plan) RSD 1,136,160.00 - 2026 (co-financing OP)	RSD 4,544,640.00 IPA OP 2024- 2027 – Direct grant to NES							
A programme to encourage the development of entrepreneurship through financial support for business beginners and young people	2023-2026	(Ministry of Economy) Financing is carried out from a total of RSD 310,000,000.00 - 2024 320,000,000.00 - 2025 330,000,000.00 - 2026	/	/	/	/	N/A	N/A	N/A	N/A
Tax benefits in accordance with the Law on Personal Income Tax and the Law on Contributions for Compulsory Social Insurance	2024-2026	/	/	/	/	/	N/A	N/A	N/A	N/A
Professional practice	2024-2026	(MoLEVSA) RSD 12,500,000.00 2024 (RS budget) RSD 12,500,000.00 2024 (NES Financial Plan) (MoLEVSA) RSD 14,000,000.00 2025 (RS budget) RSD 35,000,000.00 2025 (NES Financial Plan) (MoLEVSA)		/	/	/	N/A	N/A	380	RSD 350,000

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
		RSD 18,000,000.00 2026 (RS budget)								
		RSD 9,000,000.00 – 2026 (co-financing OP)	RSD 36,000,000.00 IPA OP 2024- 2027 – Direct grant to NES							
Training for the labour market	2024-2026	(MoLEVSA) RSD 15,902,795.00 - 2024 (co-financing Direct grant to NES)	RSD 42,996,445.00 IPA 2020 - Direct grant to NES	/	/	/	N/A	N/A	665	RSD 213,924.00
		(MoLEVSA) RSD 8,834,886.00 2024 (RS budget)								
		(MoLEVSA) RSD 13,363,200.00 2025 (RS budget)								
		RSD 22,272,000.00 2025 (NES Financial Plan)								
		(MoLEVSA) RSD 13,363,200.00 2026 (RS budget)								
		RSD 4,454,400.00 - 2026 (co-financing OP and RS budget)	RSD 17,817,600.00 IPA OP 2024- 2027 – Direct grant to NES							
Training at the employer's request	2024-2026	(MoLEVSA) RSD 10,022,098.00 - 2024	RSD 27,096,782.00 IPA 2020 -	/	/	/	N/A	N/A	310	RSD 272,246.00

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
OFFER		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
		(co-financing Direct grant to NES) (MoLEVSA) RSD 5,692,800.00 2025 (RS budget) RSD 14,232,000.00 2025 (NES Financial Plan) (MoLEVSA) RSD 5,692,800.00 2026 (RS budget) RSD 14,232,000.00 2026 (NES Financial Plan) RSD 1,138,560.00 - 2026 (co-financing OP and RS budget)	Direct grant to NES							
Functional Elementary Education of Adults	2024-2026	(NES Financial Plan) RSD 800,000.00 - 2024 RSD 800,000.00 - 2025 RSD 800,000.00 - 2026	/	/	/	/	N/A	N/A	240	RSD 10,000.00

Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
BUILDING STRONG DELIVERY MECHANISMS		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	

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Name of the reform/initiative	Years for which funding is planned	Sources and levels of financing					Number of intended users (where applicable)			Costs by user (where applicable)
		Budget of the Republic of Serbia	EU/IPA	Regional /Local funds	Employers' assets	Other (please state)	Men	Women	Total	
BUILDING STRONG DELIVERY MECHANISMS										
Planned initiatives										
Engagement of additional human resources in NES pilot branches - employment of youth counsellors	2024-2026	(MoLEVSA) RSD 8,164,800.00 (co-financing Direct grant to NES)	RSD 22,075,200.00 IPA 2020 - Direct grant to NES	/	/	/	N/A	N/A	7	RSD 4,320,000.00
Upgrade and continuous improvement of the NES ICT platform for monitoring the YG	2023-2026	(MoLEVSA) RSD 2,754,000.00 - 2024 (co-financing Direct grant to NES) RSD 1,800,000 - 2026 (co-financing OP)	RSD 7,446,000.00 IPA 2020 - Direct grant to NES RSD 7,200,000.00 IPA OP 2024-2027 – Direct grant to NES	/	/	/	N/A	N/A	N/A	N/A
Strengthening the capacity of CSOs and YOs to implement outreach activities	2023-2026	/	/	/	/	RSD 1,700,000.00 - 2023 SDC - "Education to Employment" Programme	N/A	N/A	N/A	N/A
Strengthening the capacity of partners to implement the YG	2023-2026	/	(MoLEVSA and NES) IPA 2020 - Technical support	/	/	/	N/A	N/A	N/A	N/A

2.2.4. Building strong delivery mechanisms of authorities and stakeholders

The implementation of the Youth Guarantee and the coordination of all involved partners requires the need to strengthen the Department for Labour and Employment in the Ministry of Labour, Employment, Veteran and Social Affairs, as the Youth Guarantee Coordinator, because the existing capacities of human resources are not sufficient for the implementation of required tasks (coordination and monitoring of reforms and initiatives of all Youth Guarantee partners at the national and local level; reporting to the Government of the Republic of Serbia and the European Commission, performing preparatory actions for piloting and implementation in the entire territory of the Republic of Serbia, etc.).

Additionally, building strong delivery mechanisms is of key importance for the implementation of the Youth Guarantee in the Republic of Serbia. There are still several limitations that affect the performance of the National Employment Service, as the main implementation partner of the Youth Guarantee. The limitations refer to: 1) the organisational structure of the National Employment Service (insufficient capacity for direct work with clients and organisational structure focused on management and supporting functions); 2) provision of the employment services of the National Employment Service (no online (pre)registration system; profiling system based on self-assessment of the unemployed and assessment of employment counsellors; limited availability of services for employers; mediation only at the request of employers; limited digital offer of employment services); 3) implementation of active employment policy measures (they are not continuously available throughout the year due to the budget cycle, implementation of complex public procurement procedures and limited financial resources for active employment policy measures); 4) a system for monitoring the effects of active employment policy measures focused on the status of the person on the 180th day after leaving the measure/completion of the contractual obligation.

In order to enable the National Employment Service to efficiently implement the initiatives and measures foreseen in the Implementation Plan, it will be necessary to: 1) revise the legal framework in order to facilitate the implementation of the Youth Guarantee (Law on Employment and Unemployment Insurance); 2) increase the number of employees who work directly with clients and introduce youth counsellors and counsellors for work with employers in pilot branches⁴²; 3) increase the amount of funds (improving the availability and range of employment services and active employment policy measures, as well as continuous availability of measures throughout the year); 4) improve the ICT platform of the National Employment Service to enable direct and follow-up monitoring of the implementation of the Youth Guarantee; 5) adapt the service delivery model of the National Employment Service (online registration, statistical profiling, IEP, specialised services for employers, referral to partner organisations).

Additionally, the effective implementation of outreach activities to young NEETs who are far from the labour market or at risk of social exclusion, and who do not turn to institutions for support themselves, as well as their empowerment for inclusion in the Youth Guarantee, requires the need to build

⁴² The piloting procedure should help to see, based on the analysis, the need to change the structure of the NES, including the number of counsellors needed to expand the Youth Guarantee to the territory of the RS.

the capacity of CSOs, but also youth offices. In addition, information and active involvement of all recognised partners will be worked on in order to ensure effective implementation of the Implementation Plan through strengthened capacities. The employer forums that the National Employment Service implements as of 2022 represent the establishment of direct and thematically defined contact with employers to discuss various current topics in the national and local labour markets, with the mandatory participation of social partners, and will be used for additional promotion of the Youth Guarantee. In addition, the trade unions will organize information sessions on the rights of young people at work and related to work, aimed primarily at service providers for young people, i.e. counsellors in the National Employment Service, career counsellors and youth workers, who will directly inform young people about the realisation and protection of these rights.

It is necessary that before starting the piloting, all relevant actors in the territory of the three branches where the piloting will be carried out - Kruševac, Niš and Sremska Mitrovica, should be introduced, animated and prepared for the implementation of activities in their jurisdiction. In this direction, it is planned to hold local preparatory meetings and create analyses of the local labour markets.

Some of the reforms and initiatives have been previously recognised and are listed in other parts of the Implementation Plan, so the table shows only those that have not been listed so far.

Table 2.2.4: Key reforms and initiatives to build strong delivery mechanisms

Name of the reform/initiative	Key objective(s)	Target group, including the number of people covered (if available)	Scale	Name and role of the organisation in the lead and cooperating partners	Timetable for implementation	Implementation cost, if applicable and source of funding
Planned reforms						
Reform of the organisational structure of the NES	<ul style="list-style-type: none"> Revise the organisational and personnel structure of the NES at the national and local levels in order to ensure efficient and timely delivery of services of the YG 	NES	National Local	NES	2024-2026	Source: Financial Plan of the NES (no additional financial resources are required)
Planned initiatives						
Hiring and training of additional human resources in the Department for Labour and Employment, MoLEVSA - employment of civil servants	<ul style="list-style-type: none"> Improve the coordination capacities of MoLEVSA as YG Coordinator 	MoLEVSA - Department for Labour and Employment - 2 civil servants	National	MoLEVSA Ministry of Finance	2024-2026	Source: Budget of the Republic of Serbia Source: (MoLEVSA and NES) IPA 2020 - Technical support
Engagement of additional human resources in NES pilot branches -	<ul style="list-style-type: none"> Provide individualised access and support to NEET youth registered in the YG Ensure timely preparation services and provision of a quality offer to young NEETs 	NES pilot branch - 7 newly employed youth counsellors	Local	NES Ministry of Finance	2024-2026	RSD 30,240,000.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant to NES

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employment of youth counsellors	<ul style="list-style-type: none"> during the pilot phase of the YG • Ensure improved cooperation with employers 					
Inclusion in AEP measures available throughout the year	<ul style="list-style-type: none"> • Ensure a smooth path for young NEETs from registration in the YG to receiving an offer 	Unemployed Young NEETs	National Local	NES (lead) MoLEVSA Ministry of Finance	2024-2026	Source: Budget of the Republic of Serbia and Financial Plan of the NES Source: IPA 2020 - Direct grant to NES
Upgrade and continuous improvement of the NES ICT platform for monitoring the YG	<ul style="list-style-type: none"> • Collect the necessary data for direct and subsequent monitoring of the YG • Ensure data exchange and interoperability 	Unemployed Young NEETs	National	NES	2023-2026	RSD 10,200,000.00 Source: Budget of the Republic of Serbia (MoLEVSA) and IPA 2020 - Direct grant to NES RSD 9,000,000.00 Source: IPA OP 2024-2027 – Direct grant to NES
Strengthening the capacity of CSOs and YOs to implement outreach activities	<ul style="list-style-type: none"> • Ensure effective outreach towards young NEETs for their inclusion in the YG • Ensure that provision of outreach activities and monitoring of the effects of outreach activities is in line with the standards established within the Model for outreach 	CSOs/youth workers YOs	Local	MoTY MoLEVSA NYCS NAYWP SDC - “Education to Employment” Programme	2023-2026	RSD 1,700,000.00 - 2023 Source: SDC - “Education to Employment” Programme
Strengthening the capacity of partners to implement the YG	<ul style="list-style-type: none"> • Ensure commitment of partners to actively work on reforms and initiatives of the YG • Improve the capacities of institutions and bodies from the education sector, social protection, youth sector, etc. for the implementation of YG services • Create a Guide to the YG for all partners, promotion • Organise employer forums • Organise info sessions on the rights of youth at work and related to work 	Ministries Educational institutions PROAEA QA Social protection institutions Employers Trade unions etc.	National Local	MoLEVSA NES MoE ODENQF Trade unions	2023-2026	Source: (MoLEVSA and NES) IPA 2020 - Technical support
Preparation of local partners for the implementation of YG piloting	<ul style="list-style-type: none"> • Ensure that all recognised actors at the local level are prepared for the start of YG piloting • Organise local preparatory meetings • Prepare the necessary analyses of local labour markets 	NES branch offices LSGUs Educational institutions PROAEA Local employment councils Employers Trade unions CSOs YOs	Local	MoLEVSA	2023-2024	Source: Budget of the Republic of Serbia and Financial Plan of the NES

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		Regional chambers of commerce				
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3. ANNEXES:

3.1. *ANNEX 1. ADDITIONAL SERVICES AND OFFERS OF THE YOUTH GUARANTEE*

Preparation phase

Short training courses – include training, lasting up to two months, aimed at improving employability through the acquisition of additional knowledge and skills (e.g. foreign language courses, IT literacy, etc.)⁴³. During the short training course, the participants are entitled to monthly financial assistance, travel expenses and insurance in case of work accident and occupational disease.

Cash allowance for child care – an unemployed young single parent of a child/children under the age of seven (7) or a family in which one spouse is employed and the other is unemployed and has the obligation to look after the child/children, may exercise the right to complementary support in the form of a cash allowance for the care of children in order to cover the costs of a state or private preschool institution, day care centre, in the case of children with disabilities, etc., for a maximum of six months, if the parent is involved in active employment policy measures that include a training component, and/or for a maximum of two months, if the parent is involved in subsidized employment measures⁴⁴.

Recognition of prior learning – is an adult education activity that is achieved by assessing and validating knowledge, skills and abilities acquired through education, life or work experience (through non-formal or informal learning) and which enables further learning and increasing competitiveness in the labour market.

In the process of recognition of prior learning, by PROAEA, the candidate, using reference instruments, is assessed for knowledge, skills and attitudes acquired through work or life experience and the learning outcomes and competences determined by the qualification standard are recognised, which the person managed to prove in the process, after which an appropriate public document or certificate is issued.

In order to introduce and develop the recognition of prior learning, mapping of the needs for occupations will be carried out in the three branches where the Youth Guarantee is piloted⁴⁵, and counsellors in the National Employment Service will be trained to recognize persons who can be involved in the recognition of prior learning, to carry out selection of potential persons for inclusion in the recognition of prior learning for certain professions, in accordance with the offer of accredited institutions.

⁴³ As part of the Youth Guarantee, short training courses for a total of 1,100 people will be financed, namely: 400 in 2024; 350 in 2025 and 350 in 2026.

⁴⁴ As part of the Youth Guarantee, child care allowances will be financed for 701 persons, namely: 295 in 2024, 271 in 2025 and 135 in 2026.

⁴⁵ As part of the Youth Guarantee, inclusion of 10 persons in the procedure of recognition of prior learning will be financed in the preparation phase in 2026.

Offer phase

Employment offer

Subsidized youth employment – entails a financial incentive, in a one-time amount, to an employer from the private sector for the employment of young unemployed persons from the hard-to-employ category, or a salary subsidy for the employment of unemployed young persons with disabilities without work experience, on a monthly basis.

Employment subsidy for youth from hard-to-employ category – entails a financial incentive, in a one-time amount, to employers from the private sector, for the employment of unemployed young people, namely: young people without qualifications or with a low level of qualifications, young people from residential care, foster and guardian families, young people with disabilities, young Roma, young beneficiaries of financial social assistance, etc. The amount of the subsidy is conditioned by the level of development of the local self-government in which employment is carried out, and in accordance with a special act of the Government. Implementation is monitored for 12 months.

Employment subsidy for youth with disabilities without work experience – an employer, who employs a person with disability without work experience for an indefinite period of time, has the right to a wage subsidy for that person for a period of 12 months from the day the employment relationship was established. The wage subsidy is approved based on the submitted request of the employer, in the amount of up to 75% of the total wage costs with the corresponding contributions for compulsory social insurance, but not more than the amount of the minimum wage determined in accordance with the labour regulations.

Subsidized self-employment – includes professional help and funds in the form of a one-time subsidy for a young unemployed person to start their own business, as well as mentoring support.

Self-employment subsidy – funds for self-employment are granted to an unemployed young person in the form of a subsidy, in a one-time amount, for the establishment of a shop, cooperative, or other form of entrepreneurship, as well as for the establishment of a company if the founder establishes an employment relationship in it. Unemployed young persons from the category of persons with disabilities are entitled to an increased amount of subsidy. The approval of the subsidy for self-employment is determined based on the assessment of the business plan, taking into account belonging to the categories of hard-to-employ persons. Implementation is monitored for 12 months.

Mentoring support for unemployed youth who are granted a self-employment subsidy – will be contracted with a competent business entity/provider who has proven to have experience and capacity to provide specialist business support in the sphere of sales, marketing and accounting. Mentoring support, lasting 24 hours per self-employment subsidy recipient, will be available on request.

Internship for youth – is organized with the establishment of an employment relationship and includes professional training for independent work in the profession, for which at least secondary education has been obtained, for the purpose of performing an internship, i.e. obtaining the conditions for passing a professional exam if this is a condition for working at certain jobs, as established by law or regulation.

The right to be included in the measure is granted to unemployed young people, especially young people with multiple vulnerabilities, without work experience in the profession for which they have been educated, who have been on the unemployment register for at least three months.

Internships for young people are realized with an employer belonging to the private sector.

The National Employment Service pays the employer compensation for the costs of the monthly salary for an intern with a secondary education in the amount of the minimum wage with the associated tax and contributions, and for an intern with a higher education in the amount of the minimum wage increased by 20% with the associated tax and contributions. The employer is obliged to pay the trainee wages in accordance with the law.

The duration of the internship for young people is determined by law or rulebook, and the National Employment Service finances the internship for six months for young people with secondary education, and up to 12 months for young people with higher education.

Acquisition of practical knowledge – it entails the acquisition of practical knowledge and skills by performing specific jobs, through establishing an employment relationship with an employer belonging to the private sector and is intended for young people without qualifications or with a low level of qualifications, as well as young people with multiple vulnerabilities. The employer establishes a fixed-term employment relationship with an unemployed young person and realizes the right to compensation of salary costs for the persons involved, in the amount of the minimum wage with the associated tax and contributions for a period of three months. The employer has the obligation to keep the person in employment for another three months after the end of the measure. In the event that the employer establishes an employment relationship for an indefinite period with an unemployed person at the beginning of the measure or until the end of the third month, i.e. the end of the measure, the employer has the right to compensation for salary costs for another three months, i.e. for a total duration of six months. The employer has the obligation to keep the person in employment for at least six months after the end of the funding. Employers must also have an employee mentor, as well as technical, spatial and other capacities for implementing this measure.

Public works – are organized for the purpose of employment of hard-to-employ young people and young people in a state of social need, as well as achieving a certain social interest in underdeveloped and devastated areas. The employer - the contractor of public work, concludes the employment contract with the unemployed person in accordance with the labour regulations and the public competition. The employer - the contractor of public work can exercise the right to compensation for the costs of conducting public work and compensation for training costs.

A programme to encourage the development of entrepreneurship through financial support for business beginners and young people – implemented by the Ministry of Economy in cooperation with the Development Fund of the Republic of Serbia by issuing a public call for grants to encourage the development of entrepreneurship through financial support for business beginners and young people. Applicants applying for funds under the programme can contact accredited regional development agencies to receive free business start-up training and to be provided with advisory and technical assistance in connection with the public call.

Tax benefits – in accordance with the regulations in the area of contributions for compulsory social insurance and personal income tax, tax incentives are intended for employers who employ new persons, namely: tax incentives that can be obtained under certain conditions by all legal entities, entrepreneurs, entrepreneurs with lump-sum tax and agricultural entrepreneurs, and tax incentives which can be used exclusively by micro and small legal entities as well as entrepreneurs, entrepreneurs with lump-sum tax and agricultural entrepreneurs. In accordance with these regulations, the employer has the right to a refund of part of the paid tax and part of the paid contributions for wages, with the percentage of the amount for the refund depending on the number of newly employed persons.

Offers for continued education and training

Professional practice – entails professional training for independent work in the profession, without establishing an employment relationship, for a maximum duration of six months and is intended for young people with at least secondary education and without work experience.

Training for labour market – is organized for the purpose of acquiring additional knowledge and skills, in accordance with the needs of the labour market and employers, and with the aim of improving the competences and employability of unemployed young people and leads to the acquisition of recognized qualifications, or part of qualifications. Training for the labour market is conducted by PROAEA in accordance with accredited training programs within non-formal education, and/or secondary vocational schools that issue publicly recognized documents.

Training at employer's request – aims to ensure that unemployed young people acquire the knowledge and skills needed to perform work at a specific workplace, with a specific employer which belongs to the private sector. Training is conducted by accredited employers, i.e. employers who have established cooperation with PROAEA and/or secondary vocational schools that issue publicly recognised documents. The employer has the obligation to conclude an employment contract with at least 50% of the persons who have successfully completed the training and to keep them in employment for at least another six months. The National Employment Service will cover part of the training costs paid to the employer, and will pay the trainees a monthly fee for attending the training, travel expenses and insurance for work accidents and occupational diseases.

Functional Elementary Education of Adults – is intended for unemployed young people without primary education and the aim is for them to acquire primary education in accordance with the law, with the possibility of acquiring the competence to perform simple tasks. The National Employment Service pays funds for transportation costs to participants or educational institutions, and may also bear the costs of preparing a person for taking the final exam.

Traineeship offers

Traineeship⁴⁶

Youth Employment Promotion Programme “My First Salary”⁴⁷

Table 1. Projected coverage of unemployed youth by employment offers and offers for continued education and training, from different financing sources, 2024-2026

⁴⁶ It can be an offer after the adoption of the Law on Traineeships.

⁴⁷ It can be an offer after harmonisation with the Law on Traineeships and the EC Guidelines for the Preparation of the Youth Guarantee Implementation Plans (with regard to the duration of the measure - up to 6 months).

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No. of beneficiaries	2024			2025		2026		
	RS budget	NES FP	IPA 2020 DG	RS budget	NES FP	RS budget	NES FP	OP 24-27
Employment subsidy for youth from hard-to-employ category	50	/	100	40	80	40	/	80
Employment subsidy for youth with disabilities without work experience	18	/	20	10	10	10	/	10
Self-employment subsidy	150	/	150	130	140	130	/	140
Internship for youth with secondary education	50	/	50	40	40	40	/	40
Internship for youth with higher education	60	/	100	50	55	46	/	55
Professional practice	50	50	/	40	100	40	/	100
Acquisition of practical knowledge	50	/	100	28	60	30	/	50
Public works	/	/	50	/	30	/	/	30
Training for labour market	45	/	300	60	100	60	/	100
Training at employer's request	/	/	150	20	50	20	50	20
Functional Elementary Education of Adults	/	80	/	/	80	/	80	/

3.2. ANNEX 2. INDICATOR FRAMEWORK FOR MONITORING YOUTH GUARANTEE

Table 1. Macroeconomic indicators – indirect monitoring

Key indicator	Measuring, data source and disaggregation
1. NEET rate (15-29) (% percentage)	<p><i>The NEET rate means the participation of persons aged 15-29 who are not employed (unemployed or out of the labour force), are not in education, nor are they in training, in the total population of that age category.</i></p> $\frac{\text{NEET}}{\text{Total number of persons}} \quad \%$ <p>The NEET rate is the key indicator for indirectly measuring the effect of YG. The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
Labour market indicators	Measuring, data source and disaggregation
2. NEET rate (15-29) per labour market status (% percentage)	<p><i>a) Percentage of persons in the age category 15-29 years (who had no education or training (neither formal nor non-formal education) in the four weeks before the survey), who are unemployed, in the total population of that age category.</i></p> $\frac{\text{NEET}}{\text{Total number of persons}} \quad \%$ <p><i>b) Percentage of persons in the age category 15-29 years (who had no education or training (neither formal nor non-formal education) in the four weeks before the survey), who are out of the labour force, in the total population of that age category.</i></p> $\frac{\text{No. of persons out of labour force, not in education nor training}}{\text{Total number of persons}} \quad \%$ <p>This indicator requires disaggregation of NEET into: <i>Unemployed</i> who: a) were without work in the reference week, b) were available to start work, and v) actively sought work in the last four weeks; <i>Out of labour force</i>: persons who are not employed and are not unemployed and were not in education or training at the time of the survey.</p> <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>

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<p>3. Youth employment rate (15-29) (% percentage)</p>	<p><i>Percentage of employed persons aged 15-29 in the total population of the same age category.</i></p> $\frac{\text{No. of employed persons}}{\text{Total number of persons}} \%$ <p><i>Employees: persons who performed work, even for just one hour per week, for wages, salary or family income during the reference week, or who were not at work, but had a workplace or work from which they were temporarily absent.</i></p> <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
<p>4. Youth unemployment rate (15-29) (% percentage)</p>	<p><i>Percentage of unemployed persons in the age category 15-29 within the labour force (sum of employed and unemployed persons) of the same age category.</i></p> $\frac{\text{No. of the unemployed}}{\text{The unemployed + employed}} \%$ <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
<p>5. Share of youth unemployment (15-29) (% percentage)</p>	<p><i>Share of persons aged 15-29 who are unemployed in the total population of the same age category.</i></p> $\frac{\text{No. of unemployed persons}}{\text{Total number of persons}} \%$ <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
<p>6. Ratio of share of youth unemployment (15-29) to share of adult unemployment (30-64)</p>	<p><i>The ratio of the share of unemployed youth to the share of unemployed adults</i></p> $\frac{\text{No. of the unemployed (15-29)}}{\text{Total number of persons (15-29)}} : \frac{\text{No. of the unemployed (30-64)}}{\text{Total number of persons (30-64)}}$ <p>Data source: LFS, annual estimates.</p>
<p>7. Ration of youth unemployment rate (15-29) to adult unemployment rate (30-64)</p>	<p><i>The ratio of the youth unemployment rate to the adult unemployment rate</i></p> $\frac{\text{No. of the unemployed (15-29)}}{\text{Unemployed + employed persons (15-29)}} : \frac{\text{No. of the unemployed (30-64)}}{\text{Unemployed + employed persons (30-64)}}$ <p>Data source: LFS, annual estimates.</p>

Education indicators	Measuring, data source and disaggregation
<p>8. Youth (20-29) per education level (ISCED 3 and higher) (% percentage)</p>	<p><i>Percentage of the population aged 20-29 with at least secondary education (ISCED level 3 and higher) in the total population of the same age category.</i></p> $\frac{\text{No. of persons with education (ISCED 3-8)}}{\text{Total number of persons}} \%$ <p>This indicator is disaggregated according to ISCED (International Standard Classification of Education) into levels:</p> <ul style="list-style-type: none"> - 0-2 (less than primary, primary and lower secondary education); - 3-4 (upper secondary and non-tertiary education after secondary education); and - 5-8 (short-cycle tertiary, bachelor or equivalent, masters or equivalent, and doctoral or equivalent education). <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates</p>
<p>9. Employment rate (20-34) who recently graduated (ISCED 3-8) (% percentage)</p>	<p><i>Percentage of persons aged 20-34, who have recently graduated or completed education, who are employed one to three years after completing education and training, in the total population of the same age category.</i></p> $\frac{\text{No. of employed persons who recently graduated (ISCED 3-8)}}{\text{Total number of persons}} \%$ <p>This indicator measures the labour market outcomes of young people with at least secondary education. Its trend over time serves to assess the profitability of education in terms of employment.</p> <p>This indicator is disaggregated according to ISCED into levels:</p> <ul style="list-style-type: none"> - 3-4 (upper secondary and non-tertiary education after secondary education), - 5-7 (tertiary education), and - 7-8 (masters and doctoral studies). <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
<p>10. Share of persons (20-29) with low education level (ISCED 0-2) (% percentage)</p>	<p><i>Percentage of persons aged 20-29 with education at ISCED level 0-2 in the total population of the same age category.</i></p> $\frac{\text{No. of persons with education (ISCED 0-2)}}{\text{Total number of persons}} \%$ <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
<p>11. Share of persons (30-34) with tertiary education (ISCED 5-8) (% percentage)</p>	<p><i>Percentage of persons aged 30-34 with education at ISCED level 5-8 in the total population of the same age category.</i></p> $\frac{\text{No. of persons with education (ISCED 5-8)}}{\text{Total number of persons}} \%$ <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>

<p>12. Share of persons (18-24) who recently dropped out of education or training (% percentage)</p>	<p><i>The percentage of persons in the age category 18-24 years who obtained the highest lower secondary education (ISCED 0-2) and were not involved in further education or training, in the total population of the same age category.</i></p> $\frac{\text{No. of persons with education (ISCED 0-2) and not included in further education or training}}{\text{Total number of persons}} \quad \%$ <p>The indicator is monitored in total and by sex. Data source: LFS, annual estimates.</p>
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Table 2: Indicators for direct and follow-up monitoring

Source	Type	Name of indicator	Disaggregation
<p>Framework of indicators for monitoring YG</p>	<p>Implementation (output/process)</p>	<p>Share of young people in YG after the target period of four months (inflow/outflow within YG)</p>	<p><i>Inflow:</i> according to sex, age group (15-29), status in the labour market, level of education (ISCED levels), previous YG experience, individual unfavourable circumstances.</p> <p><i>Outflow:</i> by type of offer (employment, education/training, traineeship), type of outcome (positive/negative), within 4, 6 or 12 months</p>
		<p>A positive and timely exit from YG (% percentage)</p>	<p><i>By personal characteristics:</i> (sex, age group, labour market status and level of education, previous YG experience, individual unfavourable circumstances) and type of positive outcome (employment, education/training, traineeship)</p>
		<p>Coverage by YG (% percentage)</p>	<p><i>By sex, age group:</i> (15-29), labour market status, level of education (ISCED)</p>
	<p>Result (outcome)</p>	<p>Situation of young YG users after leaving the YG (at intervals of 6, 12 and 18 months) (% percentage)</p>	<p><i>By personal characteristics:</i> (sex, age group, labour market status, level of education, previous YG experience, individual unfavourable circumstance)</p> <p><i>By outcome:</i> (i) positive outcome status (employment, education/training, traineeship), (ii) negative outcome status (unemployed or inactive) and iii) unknown status</p> <p>Time frame: 6, 12 and 18 months after exit</p>

		<p>The situation with young YG users after leaving the YG (at intervals of 6, 12 and 18 months), by type of offer (% percentage)</p>	<p><i>By personal characteristics:</i> (sex, age group, labour market status, level of education, previous YG experience, individual unfavourable circumstance)</p> <p><i>By type of offer:</i> (employment, education/training, traineeship)</p> <p><i>By outcome:</i> (i) positive outcome status (employment, education/training, traineeship), (ii) negative outcome status (unemployed or inactive) and iii) unknown status</p> <p>Time frame: 6, 12 and 18 months after exit</p>
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Data source for Table 2: NES and NES processed data of other YG service and offers providers