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The EU's Reinforced Youth Guarantee: on the subject of Regional Disparities and the Precarious Employment Trap

Summary

KEY POINTS

1. In Southern and Eastern Europe, NEET and youth unemployment are at critical levels even with the Reinforced Youth Guarantee in place.

2. What is being put before young workers by way of opportunity is for the most part a precarious, short-term contract at low pay, which has the effect of driving them to poverty.

3. The EU should not be looking at headcounts when it comes to funding; allocations have to be tied in a strict fashion to the quality of employment and what constitutes a permanent job.

An examination of the European Union's Reinforced Youth Guarantee is the purpose of this policy brief, to see if it is doing enough to stem youth unemployment and ensure a decent integration into the labour market. One could make the case that the initiative is more apt to ensnare young people in a cycle of precariousness than to build a sustainable career, given the structural disparities in national labour markets and the lack of any compulsory quality criteria. The numbers bear this out: in Mediterranean member states youth unemployment is over twice the EU average and traineeships do not in many cases lead to anything stable. We therefore put forward a number of recommendations including the conditioning of ESF+ disbursements for green or digital sectors on long-term contracts, an overhaul of public employment services and a binding framework directive for quality traineeships.

Regional Disparities and the NEET Reality

The Council of the European Union saw fit to extend its protective remit to those under 30 with the 2020 adoption of the Reinforced Youth Guarantee (Council of the European Union, 2020), in order to put an end to the youth joblessness found in some member states. Under the terms of the framework, a young person who has left formal education or is out of work is to be made a concrete offer of high-quality employment, an apprenticeship, a traineeship or some form of further education within four months' time (European Commission, 2020). Yet there is a marked geographical divide in the Union according to Eurostat (2024) data. Spain and Greece in the Mediterranean will see their rates go above 25 per cent as a rule, whereas in the Netherlands or Germany they are in single digits (Eurostat, 2024). Such is the preponderance of NEETs in peripheral areas that one can only conclude social cohesion is compromised and there is a danger of economic alienation in the longer term.

Precarity and the Exploitation of Traineeships

A tendency on the part of institutions to put quantity ahead of the kind of job quality that is sustainable is the chief impediment to the success of the programme. National public employment services, having to deliver on intake quotas, will frequently put young applicants in the way of an unpaid or poorly paid, short-lived traineeship (Eurofound, 2021). Reports by the International Labour Organization (2022) have on record how many participants are let go as soon as a subsidized trial is done or have to make do with temporary contracts. It is a recipe for in-work poverty among young Europeans, cutting them off from any safety net and putting a brake on their early career (Dietrich, 2021).



Conditioning EU Funds for Sustainable Results

As a non-binding Recommendation of the Council, the Youth Guarantee leaves the European Commission with limited means to impose minimum standards on domestic administrations (European Court of Auditors, 2023). There is the possibility that the billions handed out via the ESF+ are no more than a hiring subsidy for private companies, conferring no lasting value (European Parliament, 2022). If integration is to be anything but transient, then vocational curricula need to be in step with the move towards a green and digital economy and the EU must insist on fair pay and the retention of long-term contracts as a condition of co-financing.



RECOMMENDATIONS

A Quality Framework with Legal Force: The EU should pass a framework directive to set mandatory standards of quality and social security cover for all youth contracts and traineeships, along with transparent wage benchmarks.

FOOTNOTES

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3-European Court of Auditors. (2023). *EU actions to address youth unemployment: The Reinforced Youth Guarantee shows progress, but monitoring of quality remains weak* (Review No. 03/2023). Publications Office of the European Union. https://www.eca.europa.eu/en/publications/RV-2023-03

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6-European Commission. (n.d.). *The Reinforced Youth Guarantee*. Directorate-General for Employment, Social Affairs and Inclusion. Retrieved October 19, 2026, from https://employment-social-affairs.ec.europa.eu/policies-and-activities/eu-employment-policies/youth-employment-support/reinforced-youth-guarantee_en

7-Eyes on Europe. (2018, February 21). *Why 2018 is key to the EU's Youth Guarantee*. https://www.eyes-on-europe.eu/why-2018-is-key-to-the-eus-youth-guarantee/

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