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## ADDRESSING THE NEET CHALLENGE

A 2021 analysis highlighted that approximately 94,000 individuals aged 15–29 in North Macedonia were not engaged in employment, education, or training (NEET), representing 24.2% of the youth population. This marked a decline from 31.3% in 2016, partly due to initiatives like the Youth Guarantee pilot in 2019. The study emphasized the importance of targeted policies to further reduce the NEET rate, such as enhancing educational programs aligned with labor market needs and providing support services for young job seekers.



Approximately 12.7 per cent of all young NEETs were registered with the Employment Service Agency (ESA) in 2021, on a declining trend compared with the 16.4 per cent recorded in 2016. As expected, young people who are short-term or long-term unemployed are more likely to register (65.8 per cent and 79.6 per cent, respectively). There are, however, young people who are inactive according to the Labour Force Survey, but who are registered with the employment services (Figure 5), especially among young people with care and family responsibilities (12.7 per cent) and discouraged workers (18.7 per cent). This may be because of the cash benefits related to registration with the Public Employment Service (PES), and especially the one-time cash support made available during the first wave of the Covid-19 pandemic



In 2021, young unemployed people represented approximately 52.1 per cent of all young NEETs (15–29 years of age), out of a total of approximately 50,000 young people (26,000 women). The highest share of young unemployed was recorded in the Skopje (29.1 per cent) and Northeast regions (20.5 per cent), while the lowest was found in the Southeast region (3.3 per cent). In all regions, young men of both age cohorts are more likely to be unemployed than young women, except in the East for the 15–24 age group, as well as in Vardar and Polog for the older group



In terms of delivery of offers, the 2018 figures of the North Macedonian YG are mostly in line with the average found in EU countries, as approximately 41.9 per cent of the over 5,200 young persons registered in the YG pilot phase received an offer within four months. Over 36 per cent received an employment offer, while 3.1 per cent received a traineeship and 2.2 per cent a continuous education and training offer. Over 34 per cent of young beneficiaries remained in the YG service delivery system beyond the four-month threshold.<sup>6</sup> Based on these promising results, the YG scheme was extended to the whole country in 2019, when approximately 20,000 young people registered to receive support.<sup>7</sup> As the numbers scaled up, however, performance started to decline, with just 36.8 per cent of young people registered in the YG receiving an offer within the four-month timeframe and 45.8 per cent remaining in the YG service delivery system beyond four months in 2019.



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