

# **Implementation Plan for the Czech Youth Guarantee Programme**

## **(Update of April 2014)**

The Implementation Plan for the Youth Guarantee programme aims to provide an important contribution to meeting national targets and milestones of the Czech Republic in the framework of the Europe 2020 strategy, in particular to reduce unemployment among young people aged 15–24 to 12.3% and the unemployment rate of low-skilled persons with ISCED 0-2 education to 18.8%.

### **1. Background of the programme**

In 2012 there were a total of 1,193.6 thousand persons in the age group 15-24 years in the Czech Republic, of which 610.7 thousand were men and 582.8 thousand were women. The participation of young people aged 15-24 in education and training in 2012 reached 69.1%, the highest since monitoring began. However, the participation of women in education (73.2%) was significantly higher than that of men (65.3%). The share of young persons up to 25 years outside the labour market or training (the so-called NEETs – Not in Employment, Education or Training) is consistently below the EU-27 average (13.2%), but had an increasing trend (an increase from 6.7% in 2008 to 8.9% in 2012). In 2012, the share of NEETs in the Czech Republic was 8.1% for men and 9.8% for women<sup>1</sup>.

In international comparison, the Czech Republic has a higher share of people with secondary education and a lower share of population with tertiary education. The problem of young people when entering the labour market is particularly the inappropriate structure of their qualifications, lack of professional practice, and lack of possibility to acquire the competences necessary for their success in the labour market. The deficiency primarily results from the way initial education is set, as well as from insufficient emphasis placed on practical training during schooling, lack of collaboration between schools and employers, and thus insufficient transfer of their needs into teaching.

The current education system also fails to compensate the differences in qualifications to study and expectations of pupils and students from different socio-economic backgrounds. The setting of the educational system is thus insufficiently inclusive and not conducive to social mobility or employment<sup>2</sup>.

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<sup>1</sup> EUROSTAT has not yet published data for 2013.

<sup>2</sup> The problems of the educational system in terms of school to work transition were again emphasised by the OECD in its Economic Survey of the Czech Republic of March 2014. According to the survey, the education system in the Czech Republic, with the exception of a large increase in graduates with tertiary degrees, did not keep pace with the ongoing structural changes in the economy, which led to significant changes in labour demand requiring reallocation of available labour resources and staff with new and different skills.

The state of initial and further vocational education has a negative impact on labour market, and therefore raises concerns about whether the education system will be able to respond to the developing requirements for qualification and skills in the labour market brought about by globalization, technological advances, demographic changes and greening economy, which will lead to the creation of jobs in key areas such as information and communication technologies, green and white sectors (development of social and health services in response to demographic changes, especially the ageing of the population).

The group of young people aged 15-24 was, in addition to the 50+ group, most affected by the crisis. In 2009-10 these two groups posted the highest increase in unemployment. In 2011 and the first half of 2012, the number of unemployed young people was gradually decreasing, but rose again in the second half of 2012.

The total number of job seekers as of 31 December 2013 rose to 596.8 thousand, of which 100.0 thousand persons were aged 25 or below, i.e. 1.3 thousand more than a year ago. However, the unemployment rate of young people aged 25 or below (relative to the labour force in the same age) decreased from 19.5% in 2012 to 18.9% in 2013 and was the sixth lowest in the EU-28 (due to higher growth of job seekers in other age groups).

*Comparison of the number and share of job seekers aged 25 years or below between 2012 and 2013*

	As of 31 December 2012		As of 31 December 2013		annual difference	
	'000	in %	'000	in %	'000	in %
<b>Total</b>	<b>545.3</b>	<b>100.0</b>	<b>596.8</b>	<b>100.0</b>	<b>51.5</b>	<b>9.4</b>
aged 15–19	24.2	4.4	22.1	3.7	-2.1	-8.7
aged 20–24	74.5	13.7	78.0	13.1	3.5	4.7
<b>aged 25 and below</b>	<b>98.7</b>	<b>18.1</b>	<b>100.0</b>	<b>16.8</b>	<b>1.3</b>	<b>1.3</b>

*Note: Slight deviations in the sums of persons in each category from the total are related to the rounding of values to one decimal place.*

**The primary cause of the high rate of unemployment and inactivity of young people** is unfavourable situation in the labour market, where labour supply significantly dominates over labour demand all over the country. As of 31 December 2012, there were an average of 15.6 job seekers per vacancy in the Czech Republic. In 43 of the 77 districts, the number was higher than 20 applicants per vacancy. In 2013, the situation worsened, with the number of job seekers per vacancy reaching 17.0 as of 31 December 2013. 47 districts reported even a higher number (from 17.1 to 80.9).

The implementation of employment policy is marked by a failed reform of public employment services – the Labour Office of the Czech Republic in the years 2011-2012. The reform newly defined the responsibility of MLSA for legislative and strategic activities of employment and social policy, and the responsibility of the Labour Office of the Czech Republic for the implementation of employment and social policy. The establishment of regional branches of the Labour Office of the Czech Republic created conditions for the development of cooperation between public employment services and all actors in regional labour markets. This created legal (not personal) space for MLSA and the Labour Office of the Czech Republic to develop cooperation at appropriate levels (MLSA at the national and the Labour Office at the regional level) with the social partners and other actors in the labour market, such as employment agencies, educational facilities, regional authorities, NGOs, etc.

Preparation and implementation of the reform was hasty, led by political motives rather than the need for more substantive response to changes in the labour market. The Labour Office's capacity to act was reduced by introducing an unproved and non-functional information system, there was loss of knowledge and human capital due to a reduction in headcount by 2 thousand workers, and the Labour Office had to cope with new agenda without adequate staffing. Therefore, MLSA's short-term focus goal is to restore the capacity to act of the main implementer of the programme. Based on the decision of the Government of the Czech Republic, the headcount of the Labour Office of the Czech Republic increased in 2013 by 319 workers, in particular to improve contact with employers. Additional 381 workers will reinforce the staff in 2014. Other measures of a legislative, executive and technical nature to remedy the situation are included in the National Reform Programme of the Czech Republic for 2014. However, remedying the unfavourable condition will take more years.

## **2. Implementation of the Youth Guarantee programme at national level**

### **2.1 Formulation of the national programme**

The Youth Guarantee programme (the "**Programme**") based on the recommendations of the European Council of 22 April 2013, the Czech government ***guarantees that every young person up to 25 years will get a good quality offer*** of employment, further education, training or traineeship within four months after the person becomes unemployed, completes formal education or drops out of the formal education system. The offer of further education also provides quality training programmes that lead to recognized professional qualifications.

In drafting the programme, the MLSA relied on real financial and material capacity of the MLSA and the Labour Office of the Czech Republic, using data from the

"Population projection to 2100" (middle variant) prepared by the Czech Statistical Office.

Demographic trend in the Czech Republic is characterized by an ageing population. In the vast majority this is due to low fertility of women not ensuring simple reproduction of the population (ageing in the base of the age pyramid) and also due to an increase in life expectancy. Growth is expected for the population aged 65+, the number of persons aged 15-64 years peaked in 2009 and will further decline in the overall trend, with two short periods of slight growth (2023–2026 and 2060–2064); the number of children under 15 will decline and only rise in the years 2040-2049.

In 2013 the number of people in the age group 15-24 years reached 590 thousand people; however, before 2020 it will drop to 488 thousand persons, i.e. by about 102 thousand persons. The largest decline is expected in 2014 (by 22 thousand persons), followed by a milder decline of 13 thousand and down to 4 thousand in 2020. The decline in the age cohort of 15-19 is lower, from 262 thousand to 244 thousand persons. A larger decline was posted in the age group 20-24, from 337 thousand persons in 2013 to 244 thousand persons in 2020 (by 93 thousand persons), when the number of persons in both age groups will become equal.

Although the absolute reduction in the number of people in age group 15-24 years in 2020 visually reduces the extent of the problem of youth unemployment and inactivity, it does not reduced it as a rule, it only shifts it to the age group 25–29.

**The programme was prepared in accordance with the principles of the Council Recommendation of 22 April 2013 on establishing a Youth Guarantee (2013/C 120/01):**

- Approaches based on partnership,
- Early intervention and activation,
- Supportive measures enabling labour market integration,
  - Enhancing skills,
  - Other active labour market measures,
- Use of Union funds,
- Assessment and continuous improvement of schemes.

**The programme has the following strategic target:**

- Increasingly precise targeting of employment, education and social policies on young people not in employment and not participating in education or training;

- Removing inconsistencies between the skills of young people with the skills needed in the labour market;
- Increased participation of young people in the labour market and reduction of youth unemployment;
- Preventing the consequences of social exclusion of youth.

Measures of the Programme focus on two main areas – prevention and redress. In accordance with the partnership principle, responsibilities are divided between the programme's main partners – MLSA and MEYS.

MLSA, as the main coordinator of the programme, manages, coordinates and finances the redress actions under the programme, i.e. all activities and measures at national and regional level for labour market integration and in the area of employment policy measures, and MLSA will continue its policy of bringing together work and life conditions and the inclusion of persons prevented from entering the labour market due to health, cultural or social handicaps, even though the measures themselves are not included in the programme.

MEYS, as the MLSA's key partner in implementing the programme, primarily focuses on preventing unemployment and social exclusion of young people by creating conditions in the initial education to increase the share of practical training in study content, to enhance cooperation between schools and employers, thus increasing the transfer of the required qualification and skill needs into education. In terms of the Programme, the Ministry of Education manages and coordinates the funding of career guidance for pupils and students, creates conditions for the return of young people with low qualifications or no qualifications to formal education in order to obtain qualification, for the recognition of informal education results for labour market needs, and for increased harmony between the competencies of graduates and the needs of employers.

Ensuring the role of prevention means that the Ministry will also focus on solutions to the causes of unemployment and inactivity, which it can affect. This specifically means resolving known problems associated with the *length of initial education* (e.g., ensuring the availability and quality of pre-school education, reducing unnecessarily delayed entry to primary school or a reduction in the average duration of study at universities) and with the content of initial education, such as ensuring the competencies usable in the long run, ensuring competencies for further education, ensuring a more inclusive system of education or reconciling the school to work transition.

As part of prevention, the Ministry of Education will evaluate the effectiveness of various parts of the educational system, which will allow measures needed to improve the situation to be proposed and discussed with social partners in the

Council of Economic and Social Agreement, representatives of organizations providing formal, informal, interest, or other education, and with community and social service representatives, and consequently reflected in the Programme. These steps should allow the full potential of job creation in sectors with growth potential to be used and also should act pre-emptively against negative impacts, such as market polarization or job losses in unviable sectors.

Ministries of Labour and Education coordinate cooperation with Programme implementers under their competence, and with other cooperating organizations, such as social partners, regional authorities, schools, educational institutions, NGOs and other relevant actors.

The Programme is based on the assumption that the vast majority of NEETs, especially from low-income families or families with one or both unemployed parents is registered at the Labour Office because it is convenient for them. When a young job seeker is working with the Labour Office, then the Labour Office pays his health insurance and, under certain conditions, also social insurance.

This assumption is based on statistical data issued by EUROSTAT (based on data from the Czech Statistical Office, obtained under the Labour Force Survey).

EUROSTAT states that in 2013 that there were 1,170 thousand young people aged 15-24 in the Czech Republic, of which 9.1% (106.5 thousand persons) NEETs, i.e. young people not in education, employment or training. Of this share, 4.0% were economically inactive and 5.2% were unemployed. Furthermore, EUROSTAT shows that of the 9.1% of NEETs, 5.9% want to work (regardless of whether or not they seek work) and 3.2% does not want to work or does not seek work. The difference between the share of people who want to work (5.9%) and the share of people classified as unemployed (5.2%) is 0.7% of the population 15 to 24 years, i.e. about 8.2 thousand persons.

The Programme therefore does not cover two youth groups:

- persons who are not unemployed, want to work but are currently not looking for work (about 8.2 thousand persons). The vast majority of them are graduates who, for various reasons, postpone commencement of employment (first they want to travel, gain language experience, au pair, etc.).
- economically inactive persons (about 46.8 thousand persons). These persons mostly include women on parental leave, women in financially secure households, disabled people, etc.

It is therefore a relatively small group of young people. We therefore believe that the vast majority of the 15-24 age group is covered by the Programme.

## **2.3 Implementation of the Programme**

The Labour Office of the Czech Republic main implementer of the Programme; its staff in regional branches and contact centres will specifically work with the target group. The Labour Office of the Czech Republic also provides all social benefits of non-insurance nature, which allows it to impact the target group in the case of their inactivity. In terms of the Programme implementation, the Labour Office of the Czech Republic engages all the necessary regional and local labour market actors, such as social partners, regional authorities, municipalities, educational institutions, etc., including their representatives in the Advisory Councils of the regional branches of the Labour Office of the Czech Republic. Also involved will be other representatives of actors with whom the Labour Office of the Czech Republic, in accordance with the principles of partnership, gradually concludes memoranda and agreements on cooperation in designing and implementing employment policy, such as the Czech Chamber of Commerce, representatives of regional employment pacts in Ústí, South Bohemian and Moravian-Silesian Regions or the Czech Bishops' Conference.

The Ministry of Labour and the Directorate General of the Labour Office of the Czech Republic gradually create conditions for early intervention and activation for the implementation of labour market integration measures. The Labour Office is preparing its partial reorganization, aimed in particular at changing the competencies of individual management levels, strengthening the role of its contact offices in the implementation of active employment policy, including activities within the Programme implementation. In the Q4 of 2013, the Labour Office of the Czech Republic reinforced the staffing of departments responsible for the coordination of labour market and employer monitoring in order to increase the efficiency and focus of active employment policy and ESF projects. Beginning in January 2014, all regional branches of the Labour Office of the Czech Republic obligatorily publish a monthly statistical report on the situation in their labour market. The project "Development of services in the area of job vacancies" will be implemented, providing training to 85 contact centre professionals and 14 regional coordinators.

The Labour Office of the Czech Republic is carrying out pilot testing of two new active employment policy tools. The first tool is a project entitled "Activation contribution to support the activation of long-term registered job seekers through the support for short-term jobs", while the second tool is a project entitled "Contribution to socially useful jobs for job seekers affected by mass layoffs".

Given the financial capacity of the Ministry and the current state of the Labour Office of the Czech Republic, the Programme, at its launch in 2014, makes use of existing projects, programmes and tools of active employment policy focused on the youth, funded from national resources as well as from the Operational Programme Human Resources and Employment, or Operational Programme Education for Competitiveness. Currently, the regional branches of the Labour Office of the Czech

Republic implement a total of 25 projects for young people under 30 years. Other projects are implemented by MLSA and Further Education Fund (see Annex), which are financed from the Operational Programme Human Resources and Employment, or Operational Programme Education for Competitiveness. All measures implemented, their financial allocation and time limits are set out in the Annex to the Programme, which forms its integral part.

In accordance with the policy statement of the Government of the Czech Republic, the MLSA is also preparing a draft of a new measure to promote employment also in young job seekers up to 25, whose aim is to encourage employers to hire new workers by providing them with credits for social security premiums payable by the employer. At present, specific parameters and eligibility requirements to provide the credit are undergoing intensive discussions, and their expected impacts in terms of increased employment and the state budget are being analysed.

After operational programmes for the period 2014-2020 have been approved by the European Commission, the MLSA envisages the implementation of other new measures and projects under the Programme which, in addition to the state budget, will be funded from the Operational Programme Employment under Priority Axis 1 – Support for Employment and Adaptability of the Workforce, or from Operational Programme Research, Development and Education (especially preventive activities).

Increased attention will be paid to young people with health and social handicaps (low education, living in remote areas, coming from low income households, from divorced families with one or both unemployed parents or from families with low level of education). When implementing the Programme, differences in the status and needs of women and men will be reflected.

Measures under the Programme will primarily focus on promoting the creation of new jobs, including self-employment, ensuring employment through job centres, supporting educational activities according to individual needs, interconnecting education and employers' requirements and obtaining the necessary experience. Addressing the basic problem of the labour market, i.e. the lack of jobs, is conditional on implementing other, especially growth-promoting, Government measures which are included in the policy statement of the Government in relation to the state of the economic cycle.

The provision of services, i.e. the inclusion of a young person up to 25 years in the Programme within the competence of the MLSA is subject to registration with the contact office of the Labour Office of the Czech Republic (based on the residence of the person).

The registration of the vast majority of the target group at the appropriate contact office of the Labour Office of the Czech Republic allows for their early activation and

provides appropriate intervention in line with the Employment Act and the approved activities of the Programme.

In accordance with the principle of early intervention and activation, it will be necessary to run an information campaign aimed at the unemployed or at inactive young people to raise, as much as possible, the awareness of the planned activities both under the responsibility of the MLSA and the MEYS, including the relevant controlled organizations. The campaign will be managed in particular through career guidance centres in schools and in collaboration with the Information and counselling centres and Labour Office branches at regional and local level. The information campaign should be implemented in various forms, ranging from group to individual counselling, using websites, leaflets, etc., including all offered programmes and projects in specific regions and localities. Young people will learn about the activities and measures of national and regional character as well as about all European Union initiatives, such as the EURES, Erasmus+, Socrates, volunteering, etc.

**The Programme will be implemented in the whole territory of the Czech Republic, but in Karlovy Vary and Ústí Regions (NUTS 2 Northwest region) the measures of the Programme will also be funded from funds that the Czech Republic will receive from the European Commission under the Initiative to promote youth employment.**

### **Implementing the Youth Employment Initiative in NUTS 2 Northwest**

The European Council has decided to contribute to solving a particularly difficult situation of young people in the European Union by adopting the "*Youth Employment Initiative*" (COM 2013 144 of 12 April 2013) with a budget of EUR 6 billion<sup>3</sup> which is intended for NUTS 2 regions where the unemployment rate of young people up to 25 exceeded 25% in 2012.

In the Czech Republic, only one region qualifies – the Northwest region (Ústí and Karlovy Vary), where the unemployment of young people aged up to 25 in this period stood at 28.2%. The Czech Republic will take advantage of the option in the draft ESF Regulation (after comments made by the European Parliament) and voluntarily undertakes to extend the target group to those under 30 years.

The same approach, offer of services and commitments under the Programme also apply in the case of the Youth Employment Initiative in the NUTS 2 Northwest region.

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<sup>3</sup> Of this amount, EUR 3 billion are funds from a dedicated budget, the remaining EUR 3 billion are funds provided from the ESF allocation of each Member State, which must top up the allocation under the Initiative by at least the same amount.

Youth unemployment in persons up to 25 years in most EU Member States is much worse than in the Czech Republic. This corresponds to the amount of funds allocated under the Youth Employment Initiative in the amount of about EUR 13.6 million (i.e. 0.45% of the total EUR 3 billion). Therefore the Czech Republic, in accordance with the ESF Regulation No. 1304/2013, Article 18, has not established a separate operational programme to address unemployment in the Northwest region, but incorporated it into the new draft Operational Programme Employment for the years 2014-2020, Priority Axis 1, Investment priority 1.5, with the specific aim of *"Reducing the unemployment rate of supported young people in the region NUTS 2 Northwest"*, where the priority is specifically earmarked for the implementation of the Youth Employment Initiative in the Czech Republic.

Both regions have long been one of the regions most affected by unemployment, including youth unemployment. As of 31 December 2013, the Northwest region's offices of the Labour Office of the Czech Republic registered a total of 80.0 thousand job seekers (of which 18.4 thousand in Karlovy Vary Region and 61.6 thousand in the Ústí Region). As of 31 December 2013, the number of job seekers has increased to 85.4 thousand persons, of which 19.6 thousand persons in the Karlovy Vary Region (KVR) and 65.8 thousand persons in the Ústí Region (UR). Of the total number of unemployed job seekers in the region in 2013, 15.3 thousand were young persons aged 15-24 years (of which 3.6 thousand were in KVR., and 11.7 thousand in UR), which is 17.9% of the total number of job seekers registered in the region.

The Northwest region's rate of 12.0% is also significantly higher than the other regions in terms of drop-outs from education and training, with the national average being 5.5% (EUROSTAT 2012).

Concerning the Northwest region, the fundamental cause of the high rate of youth unemployment and inactivity is the situation on the labour market, strongly dominated by labour supply over demand. The Northwest region has long had the worst educational structure of employed persons aged 15-64. It has a higher share of workers with primary and secondary education, but a significantly lower share of employed persons with tertiary education. While in 2013, the share of employees with primary education in the Czech Republic was 15.6%, the KVR stood at 21.7% and the UR at 21.5%. The share of persons with tertiary education in the Czech Republic stood at 22.3%, but only at 12.8% in the KVR and 15.0% in the UR. The share of persons in the Czech Republic was only lower in the case of people with secondary education (Czech Republic – 73.5%, KVR – 77.8% and UR – 77.9%).

Unfavourable labour market situation in the region, especially in the Usti region, is also characterized by the ratio of job seekers per one vacancy. As of 31 December 2013, there were an average of 15.6 job seekers per vacancy in the Czech Republic, while in the Northwest region, this indicator stood at 23.6 and even at 28.1 in UR, while in KVR the rate was 15.4, even lower than the national average.

Directorate General of Labour Office of the Czech Republic adequately reinforces the staff of offices in both regions of the Northwest to ensure efficient use of allocated funds. The regional branches of the Labour Office of the Czech Republic in the Northwest region continuously respond to the adverse conditions of the youth in the labour market. For youth under 30 years, they have already implemented a number of measures of active employment policy and projects funded both from national resources and the Operational Programme Human Resources and Employment.

In the period from March 2013 to February 2014, 754 young persons were placed in community service in the Northwest region, with 439 young persons placed in socially useful jobs and 46 young persons becoming self-employed. In the implementation of the "targeted programmes" 184 young persons up to 30 years were placed, with 1,100 young job seekers included in retraining and 448 young job seekers enrolled in the project Professional Experience for Young People up to 30 Years. Furthermore, other projects aimed at young people that fall under the responsibility of the MLSA and Further Education Fund are implemented in the region.

The Labour Office in collaboration with two regional branches started to prepare the implementation of initiatives to promote youth employment in the NUTS 2 Northwest region. In accordance with the principle of partnership, work of the regional advisory councils of regional branches of the Labour Office of the Czech Republic were activated; the advisory councils bring together employers, social partners, regional authorities, educational institutions, etc.

Situation analyses are currently being prepared, specific target groups of youth registered at labour offices are being defined, their handicaps in terms of the labour market (undemanded education or skills, lack of experience, incomplete formal education, etc.) are being mapped. Following the barriers of the individual youth groups, measures for their elimination are to be proposed. In this context, it was also defined how setting of the conditions and possibilities of current tools and measures allows (or does not allow) the barriers identified for target groups of young people to be addressed, in relation to the possibility of their activation, both within the region as well as in the neighbouring Germany. At the same time, preparations began for new measures, which will be financed under the Investment Priority 1.5 in the new Operational Programme Employment, depending on the composition of job seekers and the needs of both regions.

#### **2.4 Support measures for the integration into the labour market**

The participants of the Programme are provided with measures of very different character, from counselling and motivational services through job placement, promoting job creation, variety of educational activities and other measures to promote the integration of young people into the labour market. The aim is to create a wide offer for various youth groups according to their individual needs and opportunities in the labour market.

The Labour Office of the Czech Republic, the main implementer of the Programme, will namely focus on the following activities:

- a) Support and implementation of projects and measures related to rising employment and employability of young people, including participation in Programmes and projects with international participation and in programmes funded by the European Social Fund and within employment programmes and European Union programmes, the testing of new active employment policy instruments.
- b) Job placement for job seekers and providing related services in the area of employment.
- c) Providing consultancy to identify individual characteristics and qualifications of young people for career choice, for arranging suitable employment (using the matching of vacancies with the job seeker's qualification profile) and the selection of appropriate active employment policy tools.
- d) Providing employers with contributions for the creation of permanent or temporary jobs, professional practice and scholarship vacancies, starting self-employment, retraining and other active employment policy tools as necessary.
- e) Providing unemployment benefits and retraining support (subject to entitlement).
- f) Cooperation with regional authorities, representatives of social partners, representatives of education providers and other actors in the labour market in the preparation and implementation of the measures of the Programme.
- g) Support for young unskilled candidates to acquire certified professional qualification and the promotion of recognition of non-formal education by employers.
- h) Support for linking retraining with professional qualifications and Licensed Trades Act, so that young people have the opportunity to obtain a certificate, thereby increasing their prospects in the labour market.

The group of young people up to 25 years is one of the main target groups of the draft Operational Programme Employment 2014-2020 under Priority Axis 1 Promoting employment and adaptability of the workforce. Interventions will be provided throughout the whole territory of the Czech Republic, including Prague, in particular through the established network of regional branches and contact offices of the Labour Office of the Czech Republic, in cooperation with other actors in the labour market.

Measures for young people up to 25 years in the field of prevention and initial education in the period 2014-2020 will be addressed within the framework of the Operational Programme Research, Development and Education.

### **3. Programme funding**

The Programme is funded from multiple sources: from the state budget (budget chapter of MLSA and MEYS), but in particular from the European Social Fund under the Operational Programme Human Resources and Employment, or Operational Programme Education for Competitiveness.

After approving the Operational Programme Employment 2014-2020 by the European Commission, measures will be financed from this OP or the Operational Programme Research, Development and Education. Within region NUTS 2 Northwest (Ústí and Karlovy Vary regions) funds allocated by the Commission to the Czech Republic under the Youth Employment Initiative will also be utilized.

### **April Evaluation and continuous improvement of the Programme**

The Programme will be subject to regular one-year update based on a periodic assessment of efficiency, effectiveness and usefulness of each measure under the Programme. The evaluation of the Programme will be part of management work of the Department for Employment of the MLSA and senior officers of the Labour Office of the Czech Republic. Evaluation will be carried out using data and indicators of the Information System of the Labour Office of the Czech Republic, indicators of the Operational Programme Human Resources and Employment, Operational Programme Employment, the Operational Programme Research, Development and Training, Operational Programme Education for Competitiveness, and regularly prepared analytical documents such as regular annual "Report on the work of the Labour Office of the Czech Republic", monthly statistical report of regional branches on the situation on their labour market, etc. Working group for indicators of the Employment Committee (EMCO) have for several months been working on a set of indicators for the evaluation of Youth Guarantee programmes within the EU. After the approval of the set of indicators by Member States and the Commission, they will also be applied in practice in the Czech Republic.