

YOUNG ENTREPRENEURS SUCCEED

D1 Country Reports

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Country report: Greece



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The Scaling trust-based partnership models to recharge youth entrepreneurship: Supporting underserved communities with innovative entrepreneurship support instruments (TPM-RYE) project, benefits from €2,3M grant from Iceland, Liechtenstein and Norway through the EEA and Norway Grants Fund for Youth Employment. The aim of the programme is to activate unemployed youth to access the labour market and promote entrepreneurship.

Country report: GREECE

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1 Introduction

1 Introduction

The aim of this report is to gather and present relevant data on the Greek job market, one of the most precarious ones in Europe (Livanos and Papadopoulos, 2019), with the purpose of informing decision-making in the context of the project “YES!” funded by Iceland, Liechtenstein and Norway through the *EEA* and *Norway Grants Fund for Youth Unemployment*. Coordinated through a cooperation of eight partners, the project aims at improving the employment situation of young people *Neither in Employment nor in Education and Training* (NEETs) through innovative approaches and transnational cooperation on labour market issues as well as building youth entrepreneurial support among project’s partners.



Figure 1: Perceptions on NEETs in Greece

Source: own research, 2019

The European Commission (2011:5) has characterized NEETs as a ‘lost generation’ and mass media have used similar words to describe them. For example in some countries¹ they are narrated as: “angry young rebels”, “quitters”, “cool dudes”, “hedgers”, “strugglers” etc. In Greece, NEETs are a novel socially vulnerable group hence the majority of the Greek people has never heard the term and the phenomenon- at least the

¹BBC news, 5 November 2007 as cited in European Commission, 2008: 132.

previous years- has not been considered as a priority by the «political elite» of the country (Drakaki et al., 2014).

Today, the rate of unemployment among young people in Greece is one of the highest in Europe and much higher than the overall rate of unemployment in the country. Young people seem to have been more affected by the economic crisis and can be considered the most vulnerable population group among the economically active population (Drakaki et al., 2014). With an escalating unemployment rate among young people in Greece, the NEETs discussion has gained tremendous attention both within public policy and academia circles. In an attempt to collect some of the most commonly used words appearing in public discourses describing this group (text analysis of newspaper articles done for this report) the term “*absent/lost generation*” has been found to be the most popular² one (see Figure 1).

This report is based on Eurostat official Statistics, other EU sources-working documents (i.e. Eurofound study), a seminal work published in Greece focusing on NEETs (The Absents’ Barometer³) and the latest annual report⁴ on major indicators for education by the Centre of Development of Educational Policies of the General Confederation of Workers in Greece (KANEP-GSEE). Finally, an overview of scholarly work has also been helpful in understanding core themes and contemporary discussions (see references) for NEETs in the country. At this point we must note the fact that during this report we came up to rather scarce and sometimes contradictory data, which we tried to embed in a meaningful and productive way. Finally, it should be noted that the report builds on data available until end of June 2019.

After this brief introduction provided in Section 1 this report proceeds as follows: Section 2 underpins three core themes, which characterize the Greek job market: the correlation between crisis and age, the mismatch between employment and education and finally the role of family and networks of kin in providing social security. In section 3, the research moves its focus on profiling NEETs in Greece. Therefore, a brief overview of demographic and socio-economic variables, NEETs composition and regional distribution is presented. Section 4 discusses the policy context by analyzing selected local interventions. The last section concludes and presents Greece’s outlook and prospects.

² Size of words highlights the frequency of appearance of the word in the titles of the articles written for NEETs in Greece

³ “*The Barometer of the Absents. Detection, Classification and Empirical Establishment of policy proposals to combat a new form of social vulnerability: NEETs*” KEADIK University of Crete, KANEP/ GSEE, the Hellenic Foundation for Research and Technology (FORTH) and Greek Public Opinion (GPO) (21.6.2011-20.8.2013).

⁴ https://www.kanep-gsee.gr/wp-content/uploads/2018/05/ETEKTH_2017-28.pdf.

2 Core Themes

2 Core themes

2.1 The labour market and young people hit by the crisis

Despite the fact that Greece has a high rate of NEETs, Eurofound (2012:39) did not classify the country as one of those with tremendous transformations in employment and youth unemployment due to the crisis. However, Drakaki et al. (2014) support that the findings of the national (quantitative and qualitative) field research of the «Absents' Barometer⁵», clearly show the influence of the economic crisis to the increase of youth unemployment rates and the creation of the NEETs group in Greece. During 2008-2011, the labour market in the country faced dramatic changes with more than half a million people losing their jobs amongst which young people were the most severely hit.

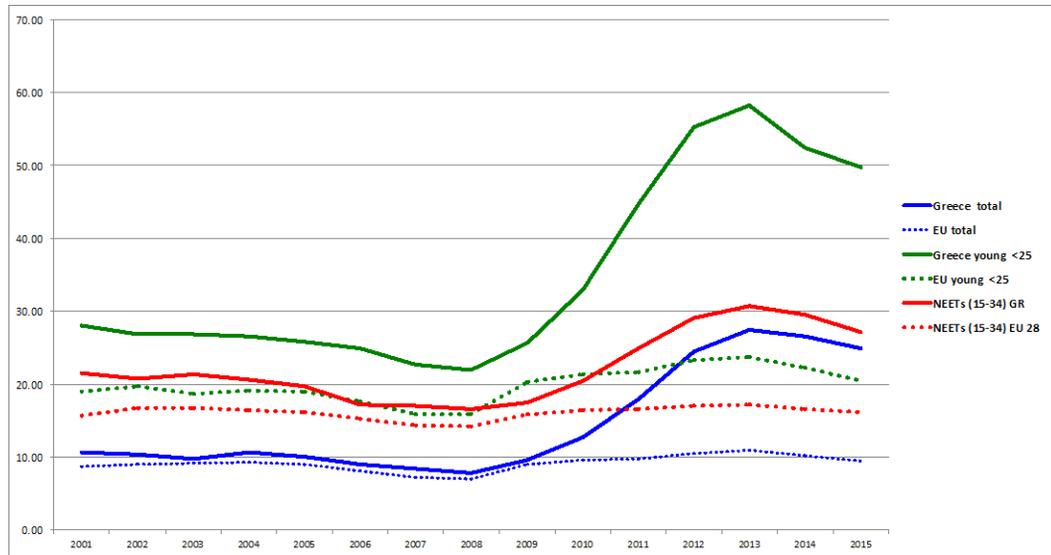
Livanos and Papadopoulos (2019), for instance, argue that in October 2009 one of the primary acts taken by the Greek Government was to dismiss approximately 50,000 young workers (stagiaires) in the public sector thus directly increasing youth unemployment. The practice of firing workers with the least professional experience is commonly found during times of austerity (Tubadji, 2012) causing a faster growth on youth unemployment rates and contributing to a growing share of discouraged unemployed young people. In addition, changes and reforms in labour regulations that took place in Greece⁶ due to the economic debt crisis, are forming a completely new labour market model based on lower costs of labour, mainly in the private sector and new rules for the collective bargaining system between social partners (Kyriakoulis, 2012).

Total unemployment rates have been steadily increasing in Greece since 1981 (year of Greece's accession in the European Union). Between 1980-1999, they almost tripled (reaching 12.1% in 1999) before a slight decline (Bakas and Papapetrou, 2014). The overall national unemployment rate decreased slightly to 11.3% in the first quarter of 1998. From the late 90ies we see a more severe increase with ups and downs until 2004, the year that the Olympic Games were held in Athens. At this time the unemployment rate was 10.1%, (among the highest in EU (15) after Spain) but the construction business, due to the Games, gave a boost to the economy for a short period until 2008. Onwards, rates are scaling up dramatically. As we can see from the comparison of the total and youth unemployment rates in Greece and the EU (Figure 2) since the beginning of the crisis in Greece there is a huge gap between the EU average and national rates.

⁵ http://neets2.soc.uoc.gr/?page_id=155&lang=en

⁶ Law 4046/12 (Memorandum-2) for "structural changes" in the labour market

Figure 2. Total and youth unemployment rates, Greece and EU (28) 2001-2015 (%)



Source: EUROSTAT-UOE (LFS) & KANEP-GSEE

From 2013 until today we observe a small downward trend but this is mainly due to the “brain-drain” and to temporal job places created especially in tourism and not to an actual raise in employment. Therefore, we cannot advocate on labour market resilience or recovery (Tsampra et al., 2017). Overall, total unemployment rate in Greece averaged 16.21% the past 20 years, to reach an all-time high record of 27.90% in July 2013.

With regard to **unemployment rate for young people (below 25 years old)** we observe that since 2009 (when it stood at 25.70%) the rates show a continuous increase up to 58.3% (maximum rate in 2013) - albeit with gender variations (see next chapter). This year the relevant EU(28) rate was 23.7%. During the 2nd semester of 2018, according to the last Hellenic Statistical Authority’s report (2018) the rate slowly dropped to 18.3%, which is the lowest jobless rate since July 2011. The increased volatility within this period is indicative of the temporal character of the job market for young people. The lack of permanent working positions forced young people to seek employment abroad. Estimates for the period 2008-2013 speak of almost 427 thousand of Greeks (15-64 years old) leaving the country, out of which 223 thousand were aged 25-39 and were seeking employment and better social conditions elsewhere (Lazaretou, 2016). These are typically (71%) highly-skilled and highly-educated in finance, medicine, high-tech and engineering (European Commission, 2014) hence the characterization of their movement as “brain-drain”.

Focusing in a more specific cohort of young Greeks in this report, **the NEETs (15-34 years old)**, we see that the rate during the same crisis period (since 2009) has also exhibited a scaling up trajectory and the gap between Greece and the EU average has been steadily increasing. From a 17.50% in 2009 it has increased to 30.80% in 2013, to slightly fall in

2015 (27.10%), when the average EU was 15.90% (2009) and 16.10% respectively (2015). More details on the NEETs in Greece will follow in Section 3.

2.2 Education and vertical mismatch with employment requirements

According to Eurostat (2019a) the two most affected by the financial and economic crisis countries, Greece and Italy, were among the four countries that the indicator for employment rate of recent tertiary graduates was lower than 70% articulating on the crucial challenges highly educated people face when trying to enter the labour market. According to the World Economic Forum (2014) workers with high skills faced the biggest employment rate drop. High rates of unemployment, in Greece and other EU countries, are indicative of the distortions not only in the job market but also in the educational system. According to CEDEFOP (2011) *“in 2020 the European labour market is likely to have a surplus of some skills and a shortage of others. People may have academic qualifications while employers may want vocational ones. Europe’s challenge is not just to improve skills, but to match the people with the right skills to the jobs available”* CEDEFOP (2011).

With an old- fashioned education system in Greece struggling - even before the crisis- to acknowledge the actual labour market needs (Tubadji, 2012) the annual report on Education in Greece (KANEP-GSEE, 2018) discusses the importance of the two main forms of **mismatches** between employment and education:

- the *“vertical mismatch”* which refers to people working in job places that need less skills and lower educational level from the one they already possess, through their studies and lifelong learning and
- the *“horizontal mismatch”* in which the job place is not at all relevant to their studies.

As Morgado et al. (2016) argue, Greece among other countries such as Germany, Denmark, Portugal, Cyprus, and the Slovak Republic have the lowest levels of horizontal mismatch. The vertical mismatch indicator, however, was 30.4% in 2015, 6.3 points higher than the average EU-28. In fact, Greece holds the 4th highest place after Spain (37.4%), Cyprus (35.0%) and Ireland (32.8%). It should be noted that, at least in the last 15 years, the country has never reached better rates and always was below the EU average (KANEP-GSEE, 2018).

Currently the Greek **tertiary education system** is going under reform⁷ in an attempt to close the gap between academia and the future skills needed in the actual labour market. It is an ongoing process with no concrete results yet as different legislation hinders the successful transition of young people to the labour market (European Commission, 2015).

Other important facts for education and employment to consider for this report are those describing the **profile of young unemployed people** in Greece. While Greek women attain higher levels of education than men, their employment rates and salaries continues

⁷ laws 4009/2011, 4076/2012 & 4327/2015

to lag behind. In 2014, 21% of women with tertiary qualifications were unemployed compared to 14% of the male population in the same category (gender mismatches are further presented in the next section).

2.3 The “safety net” of the extended family

Statistics show that deepening poverty and sharp increases in unemployment rates in Greece have also raised the general risk for poverty and homelessness up to 35.7% (National Statistical Service, 2016). Doubling up with family and relatives is lately the case for many unemployed people in Greece (Anthopoulou et al., 2019) and it is getting more evident especially in the case of young educated people that, failed to enter the market or lost their job and cannot afford a house and everyday expenses in the city. In these conditions the family, as defined by an extended network of relatives and next of kin, plays the role of a “safety-net”.

Despite the fact that this practice is embedded in cultural values of the Greek family providing for one’s own; a model that is not easily found in other parts of Europe, there is a current discourse on the risks behind this social practice. Some argue that it might work for a short while (especially amidst the crisis) but in the long run it might actually put young people in inertia and exclusion (lack of identity, difficulties in adjusting) or even a hidden proletarianization. In addition, it should be noted that the safety net of the Greek family, alongside with informal solidarity networks, might have reached their limits (as welfare providers) and right now are found in an extreme pressure, facing all difficulties created by the lack of a functioning public welfare support system. In other words, social costs cannot be anymore absorbed by the family hence the scaling up of poverty rates and “nightmare” scenarios for social and political instability.

When it comes to the focus of this report, the NEETs group, Chinakis (2018) confirms the general remarks above, when he argues that on the one hand family provides NEETs with economic and psychological support but on the other hand is sought to drive them to a generalized inertia. Therefore, one should also bear in mind the fact that family-support (either housing, economical or sentimental support), albeit important, hides the real extent of the NEETs phenomenon. On the other hand, according to the “Absent barometer” (Papadakis, 2013) it should be acknowledged that this practice of the Greek family is the main reason why NEETs in Greece are in a better socio-economic situation and not feeling socially excluded, in comparison to NEETs in other EU member states (Kotroyannos et al., 2015).

3 Statistical overview of NEETs in Greece

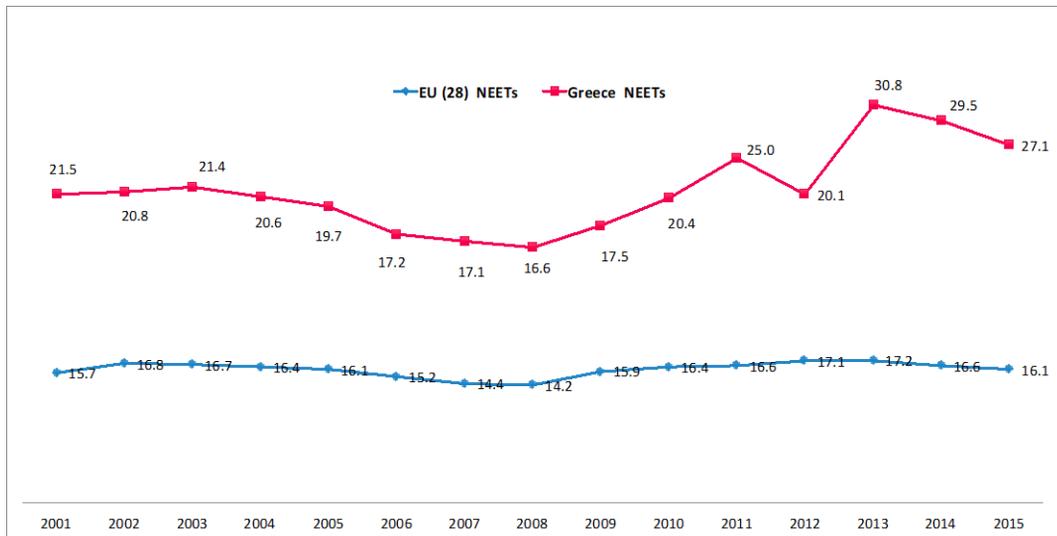
3 Statistical overview of NEETs in Greece⁸

The economic crisis and the fragile labour market constitute the main obstacle in NEETs' pursuit for employment, therefore Greece is one of the countries with the worst situation regarding NEETs in EU28 and always had higher rates during the past 15 years with great consequences. In fact, the disengagement of young people from the labour market (for the year 2011) accounted of more than 2% of the country's GDP (Eurofound, 2012). The escalating rates of NEETs since the crisis are indicative of the severe difficulties young people face to effectively and permanently move from education to the labour market, resulting in negative economic and social repercussions and challenges for social cohesion. Starting from a 21.5% (2001) the NEETs rate climbed to a 30.8% in 2013 to slightly fall to 27.1% in 2015, whereas the EU (28) average is more or less closer to 16% from 2001 to 2015 (see figure 3). The gap between Greece and the EU average has grown dramatically albeit differences between several demographic and other socioeconomic and regional variables.

Another general point to make here is that according to the Eurofound (2013) the individual cost of a NEET to public finance is rather limited and only a small percentage of 7.1% of all NEETs received State benefits in Greece during 2013. This point, however, invites additional focused research, as especially during the crisis, it seems that there has been a trade-off between a decision to actively look for a job, usually under-paid and with a considerable mismatch with their skills, and either relying to unemployment benefits or chase opportunities in informal employment. Moreover, recent reforms, such as the pilot introduction of basic income support, may also distort the picture in NEETs, and youth in general, and their willingness or ability to actively search for a job, especially when active labour market policies, although they are growing recently in the mix of public policies, still lag behind traditional approaches and passive ones.

⁸ All data in this report is based on the Statistical Office of the European Communities (EUROSTAT) (2018) unless otherwise stated.

Figure 3. NEET rate, 15-34 years, Greece and EU-28, 201-2015 (%)



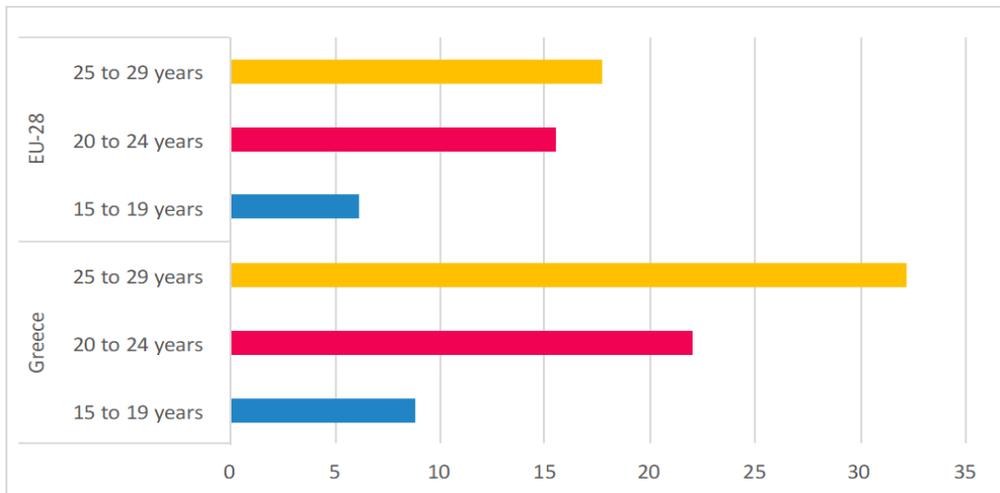
Source: EUROSTAT-UOE (LFS)⁹ & KANEP/GSEE (2018)

3.1 Demographic variables (age-gender-country of birth-dwelling)

The **age** variable plays perhaps the most important role in profiling unemployed young adults (Kotroyannos, et al., 2015). In line with Europe averages, data confirms that also in Greece the risk of becoming NEET increases with the age. Figure 4 gives evidence that the biggest group of NEETs is between 25 - 29 years old. According to Tubadji (2012) young people between 25-29 years old are the “usual suspects” for education- to-job transition problems hence most exposed to unemployment and most seriously exposed to low wages and poor quality work contracts.

⁹ <https://ec.europa.eu/eurostat/web/lfs/data/database>

Figure 4. NEET rates by age group, Greece and EU-28, 2017



The **gender variable** seems to play also a very significant role, both in Greece and across the EU, when analyzing the profile of NEETs (Eurofound, 2012). In Greece what we see is that women are in a most vulnerable condition and are more likely to become a NEET whereas in other EU countries is the other way around. According to EUROSTAT data (figure 5) the gap between women and men started to slightly close after 2012. In fact women were more susceptible to becoming a NEETs and especially those young women with higher educational level articulating the weak position of women in the labour market. Starting from a great gap in 2001 (19.3 points) women hold on average -during the past 15 years -of 30% on NEETs rates and men an average of 15%.

Figure 5. NEETs (15-34 years) rate in Greece 2001-2015 (%)



Source: EUROSTAT-UOE (LFS) & KANEP/GSEE

In comparison to the EU and focusing on the age group of 15-29 years, we see that there is a growing gap since 2015. As Figure 6 shows, in Greece the gap between genders still remains higher than the EU-28 average. Within the NEET group in Greece young women are more likely to be unemployed (searching for a job) whereas in the EU is the other way around (figure 7). Inactive women within the NEET group do exit (probably are those staying at home raising children and/or taking care of the elderly in the family as Eurofound (2016) argues but are less in numbers in comparison to those seeking for an opportunity to enter the labour market.

Figure 6. Gender gap of NEETs aged 15-29 years, Greece and EU-28, 2013-2017 (%)

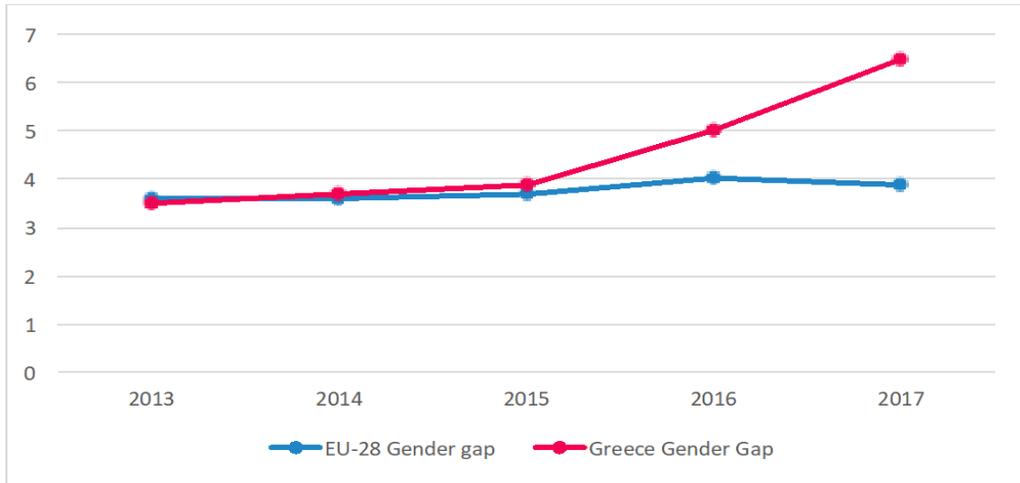
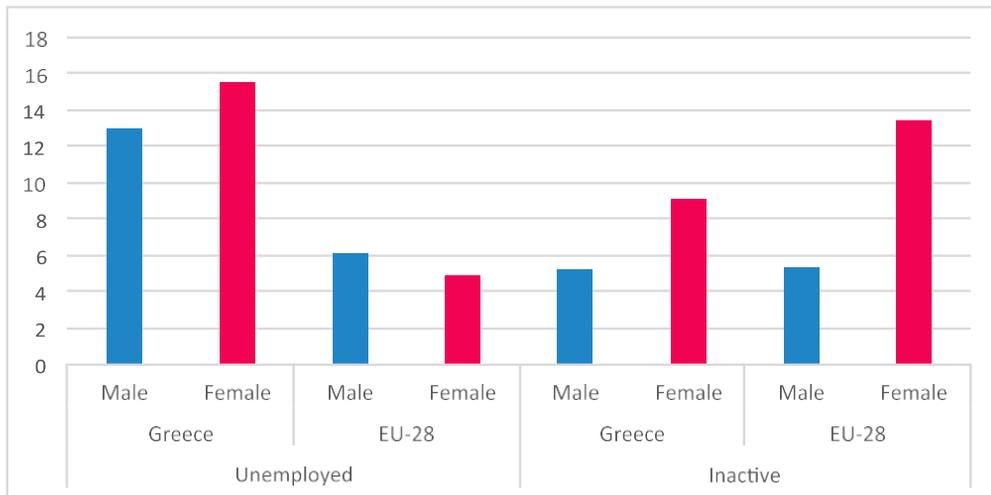
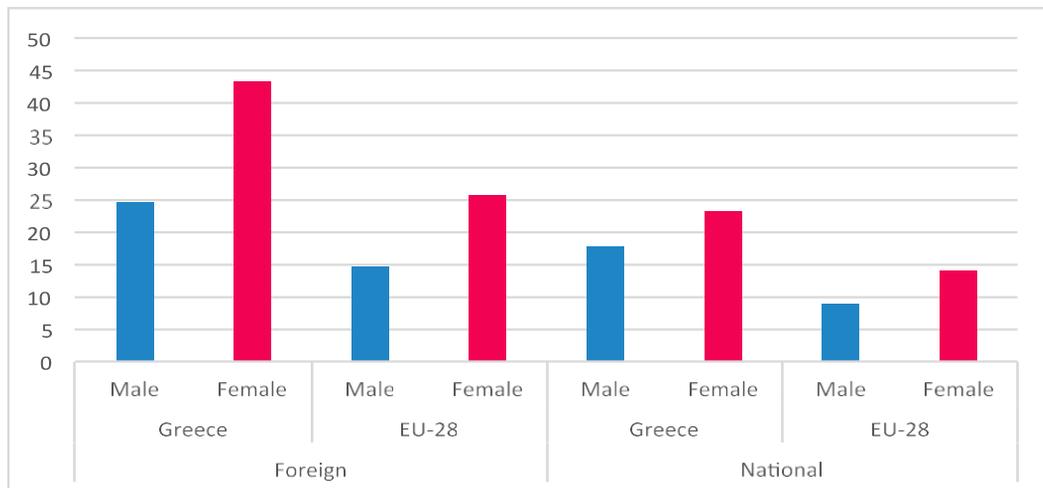


Figure 7. NEET rate for people aged 15-29 by sex and activity status, Greece and EU-28, 2017 (%)



The gender dimension is highlighted further if we focus on another variable that of having a foreign country as birthplace. In the EU-28 NEET rates in 2017 for young people with **migration** backgrounds (20.3%) were almost 8 percentage points higher than for their national counterparts (12.6%). An analysis of youth unemployment by gender and country of birth reveals that young women with a migration background (here represented by the foreign country of birth) are the group most at risk of becoming NEETs (Figure 8). In Greece, the NEET rate among young foreign female (43.3%) is much higher than that of male with migration background (24.6%). However, one may also stress here that this gender gap among youth with a migrant/refugee background, on top of difficulties with the language, often stem from cultural and religious reasons.

Figure 8. NEET rate by country of birth, people aged 15-29, Greece and EU-28, 2017



There is a wide consensus in the literature that the way migrants integrate into the labor market, and the time they take to do so, will determine the long-term impact of this inflow of migrants on the economy in the receiving country (Martin & Arcarons, 2016). In line with the literature, the main argument here is that the failure to integrate asylum seekers, who are in most cases potentially productive workers, is a source of inefficiency. In addition to wasting human capital, it generates substantial costs that must be covered by public expenditures. Thus, given the importance of early interventions to facilitate labour market integration along with micro-enterprise development, so-called work integration social enterprises are seen now to increasingly experimenting with innovative paths of work experience and on-the-job training with a view to supporting the integration of asylum seekers and refugees into the open labor market in several EU countries. This line of thinking and, consequently, work can prove useful in designing solutions to enhance autonomy and integration of asylum seekers from the outset.

Such initiatives may also prove useful to tackle youth unemployment within the Roma population. While public data are scarce and estimations are often conflicting, a recent report of the (former) Special Secretariat for Roma Social inclusion of the Greek Ministry of Labour, estimated a 60% rate of NEETs among youth (16-24 yrs) Roma population (MoL, 2018). The gender dimension according to field research reports, is even more pronounced as this rate stands at 81% among young women and 38% among young men (Serco, 2016; Region of Attica, 2017). This gender gap indicates what researchers usually name as an imposed NEETs situation among young female Roma, as it is quite often the result of cultural reasons and the role of females within the community (MoL, 2018).

Finally, in Greece **rurality** seems to play some role as a determinant of the risk of young people to become NEETs. As Figure 9 depicts, NEET rates seem to be different among Greek cities, towns and suburbs and rural areas, while in the EU-28 those differences are

rather marginal. Field research also argues that it is easier to encounter a NEET in the rural areas of the country, thus, rurality should not be considered a critical variable, such as age, family income and educational level, but can, definitely, neither be ignored (Pandis & Zagkos, 2013: 112-113). According to Anthopoulou et al. (2019) unemployment during the crisis in Greece stimulated the returning “back to the village” but only a handful of those that returned to the rural did actually find a permanent working place. They are facing obstacles in terms of job security and life satisfaction and have failed to be integrated to the local society. If one considers the fragmentation, and decreased availability, of public services supporting youth employment in rural areas, then rurality enters the picture quite dynamically.

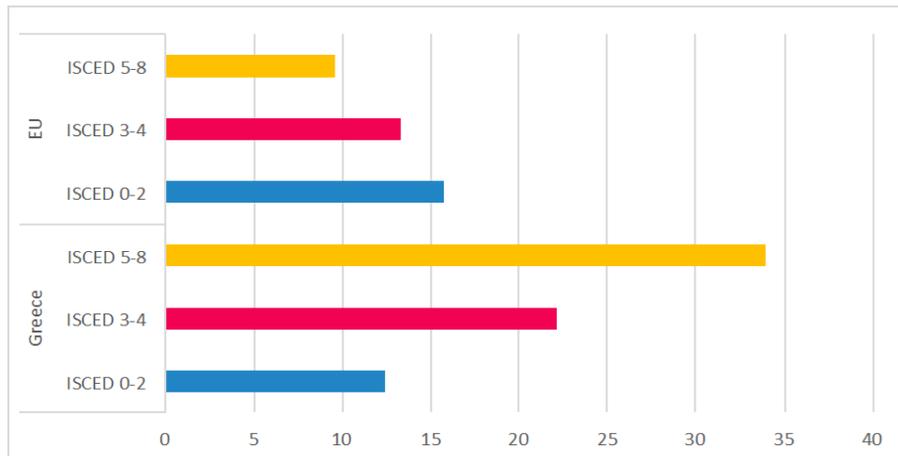
Figure 9. NEET rate by degree of urbanization of people aged 15-29, Greece, 2017



3.2 Socio-economic variables

One of the most used socio-economic variable when analyzing unemployment is **educational attainment**. As Figure 10 depicts, the NEET rate for people with a tertiary level of education (ISCED 5-8) is significantly higher in Greece than the NEET rate of young adults with secondary and lower educational attainment. This seems to be a fact which does not correspond to the majority of NEETs aged 15-24 in the EU, which are low skilled (Eurofound 2012: 31). These data indicate that tertiary education does not represent an effective protection against unemployment, which in the case of Greece, may be also the result of the vertical mismatch between employment and education as detailed in a previous section.

Figure 10. NEET rate by educational attainment of people aged 15-29, Greece and EU-28, 2017



Greece does perform quite well on **early school leavers rates**, as only a small percentage of the NEET population falls within this category (GPO & KEADIK, 2012: 20). According to the European Commission (2014) this number has been declining every year from 2006 onwards. Albeit the low rate of school leavers a very interesting finding, according to the latest annual report on Education in Greece (KANEP-GSEE, 2018), is the fact that during 2005-2015 the percentage of young people that dropped out of education and wanted to work has raised up to 61.9% since 2005 that was only 2.1%. In other words, the need to contribute to the family budget was covered also from the younger members that otherwise would have preferred to stay within education or training status.

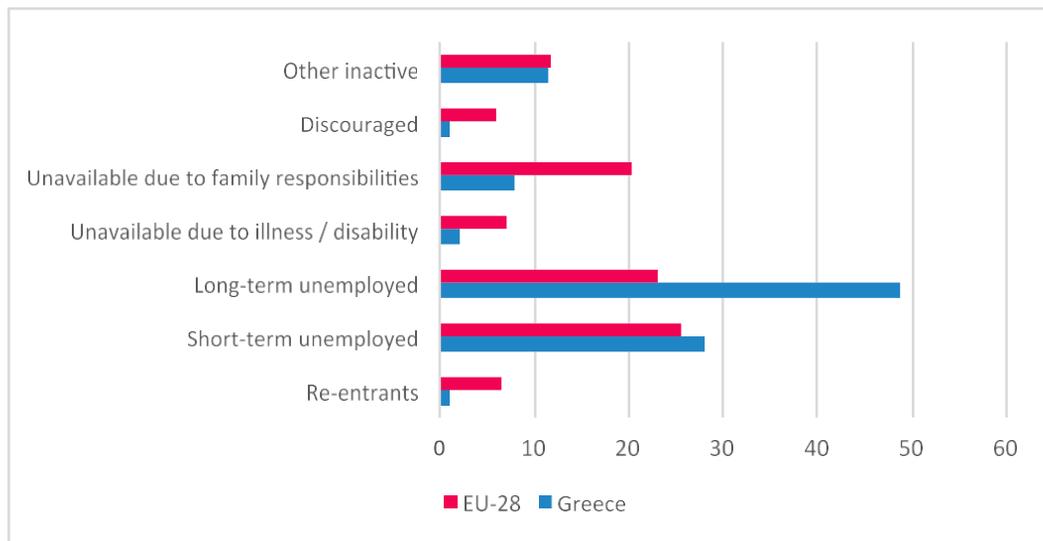
However, early school leavers rates shall be considered a ‘risk and threat’ for the case of **Roma students** (Drakaki et al., 2014) and for rural areas in Greece where early school dropouts are most commonly found in comparison to their urban counterparts (Eurostat, 2019b). The consequences of dropping out are not reflected only to high unemployment rates. Young people that drop out of education are more likely to have insecure jobs, or lowest paying ones or turn to social welfare benefits. It has both personal and social effects apart from macro-economic challenges.

Finally, the indicator of participation in **life-long learning** (for people 25-64 years old) during 2001-2015 had a positive trajectory from 21.3% in 2001 to 30.4% in 2015, even though there were ups and downs in participation rates in this period. Moreover, higher percentages of established courses and participation rates are found in urban rather than rural areas (Chinakias, 2018).

3.3 NEETs composition and vulnerability

According to the “Absents’ Barometer” the majority of NEETs (70%) have no **working experience** and from those that have worked, their main occupation was in services (tertiary sector). This working experience did not exceed a six-month period, meaning that it was not a stable working position. Consequently, the Greek NEET does not have previous working experience and when he/she does it is however seasonal and casual. Figure 11 provides an overview of NEETs in Greece according to the seven Eurofound categories¹⁰ which present diverse degrees of vulnerability in terms of labour market participation and risk of social exclusion. The biggest group of NEETs in Greece is made up of long-term unemployed (26.3%), higher than the EU average (23.1%). Secondly, the short-term unemployed NEETs in Greece reach a 28% (slightly above the EU average). In all other categories Greece has a lower rate than the EU average with remarkable (almost 4 times more) in unavailable due to family responsibilities. Finally, a significant number of NEETs (11.4%) belong to the group “other inactive” (close to the EU average of 11.7%). The latter calls for a deeper analysis of this heterogeneous or rather “hidden” category.

Figure 11. Composition of the NEET 15-29 year olds group in Greece and EU-28 (%), (2013)



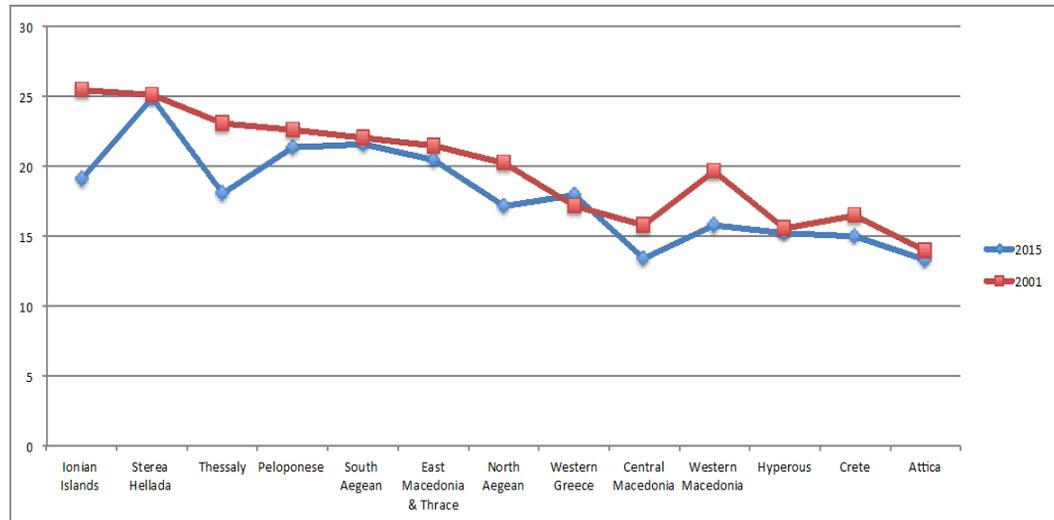
¹⁰ Eurofound (2016) proposes a division of the NEET population into seven sub-groups (re-entrants, short-term unemployed, long-term unemployed, unavailable due to family responsibilities, unavailable due to illness or disability, discouraged workers and other inactive) based on the EU Labour Force Survey. This categorization goes beyond common socio-demographic variables and tries to identify reasons for an individual’s NEET status in order to help policy makers and intervention planners. Re-entrants and short-term unemployed display low to moderate degrees of vulnerability. Unavailable due to illness or disability and long-term unemployed and discouraged workers are classified as highly vulnerable groups since they are the people more at risk of social exclusion. Finally, the categories of unavailable due to family responsibilities and other inactive are a mix of vulnerable and non-vulnerable NEETs, who require a further analysis to determine their potential labour market participation and risk of social exclusion.

Evidence from recent field research stresses that only a handful of NEETs has attended a training program and the vast majority considers training ineffective. Despite their lack of access to the labour market, NEETs don't trust training (Papadakis et al., 2015: 58- 59) and 87.5% of NEETs has never followed a training program, and in many regions of the country this percentage exceeds 90%. Papadakis et al. (2017) argue that NEETs in Greece are discouraged rather frustrated and angry about their personal situation as well as the country's "dead-end". They exhibit low levels of institutional-political trust, which adds to their overall rejection of any social programmes that might aim to their so-called empowerment.

3.4 Regional distribution

In 2015, the greatest NEETs rate is noted in the Region of the Ionian Islands (25.5%, 8.3 points higher than the average). The Region of Sterea Hellada was also at the top rates (with 25.1%) followed by Thessaly with 23.1%. It should be noted that during 2001-2015 the NEET rate is escalating in 10 out of 13 regions in the country. The region that manifests the worst trajectory is the Ionian Islands and then Thessaly, with the latter having a 5.1 points higher NEET rate in 2015. The three regions that show a lower NEETs rate in this period are Western Macedonia, Crete and Western Greece (Ditiki Hellada). Nevertheless, as the abovementioned numbers indicate, youth unemployment rates should be read cautiously, especially in island regions which in recent years have experienced an impressive increase in tourism. One may keep in mind that this dynamic sector offers a wide range of seasonal and part-time employment opportunities and often, and more importantly, is seen internationally as a sector which hosts a good number of undeclared work. Thus hidden employment may occur, in contrast with rural areas where the situation is rather the opposite as, traditionally, agriculture and more specifically small and medium agricultural holdings are regarded as an activity in which hidden unemployment in times of economic contraction is the norm.

Figure 12. NEETS (15-34) rates by regions / NUTS2/ Greece



SOURCE: EUROSTAT, UOE, KANEP/GSEE

Sum up

Although generalizations are rather difficult, the preceding analysis showed that in Greece:

1. Gender (female) is a significant variable if associated with labour status (unemployed) and migration background (foreign country of birth).
2. The risk of becoming NEET increases with age.
3. Tertiary educational is associated with significantly higher NEET rates
4. The degree of rurality seems to play a key role in increasing the risk of becoming NEET.
6. A great share of vulnerable NEETs are either “long-term unemployed”, “short-term unemployed” or “unavailable due to family responsibilities”
7. Migrants and/or Roma population deserve special attention and invite careful analysis and interventions tailored to their specific needs.

NEETs in Greece



4 Selected local interventions targeted at NEET

4 Selected local interventions targeted at NEET

In Greece several measures were introduced to promote youth entrepreneurship and self-employment. Formal structures have also been established providing consultation to young people in order to set up their own business. In addition, some language support measures have been introduced in the direction of removing barriers to employment for migrants and minority groups (Eurofound 2012). Specifically, five existing interventions/policies are presented, covering the full range of the types of interventions towards NEETs: direct/indirect grants and subsidies, apprenticeships, training-mentoring, mobility/relocation allowances e.t.c.

4.1 Sectoral Operational Program “Human Resources Development, Education & Lifelong learning”- Priority Axis 3- Youth Employment Initiative (YEI)

According to the last revision of the Program (approved by the European Commission at 18/12/2017), the Sectoral Operational Program “Human Resources Development, Education & Lifelong learning¹¹”- Axis 3 is the exclusive mean for the implementation of the Youth Employment Initiative (YEI) in the Greek context. The YEI is one of the main EU financial resources to support the implementation of Youth Guarantee schemes. It was launched to provide support to young people living in regions where youth unemployment was higher than 25% in 2012. It was topped up in 2017 for regions with youth unemployment higher than 25% in 2016. The YEI exclusively supports young people who are not in education, employment or training (NEETs), including the long-term unemployed or those not registered as jobseekers. The main objective of the Program is to facilitate the sustainable employment of young people up to 29 years old. The axis includes two main interventions a) Actions for the early activation of the young unemployed b) Actions for the promotion to the employment-training-education of the youth. In brief, the main foreseen actions are:

- “Entry Voucher” programmes for young individuals (18-29 years old) that combines training with work experience in private enterprises.
- Integrated interventions (training/mentoring/apprenticeships/coupling with employers) for young individuals up to 29 years old.
- Subsidy of the social insurance cost (for 12 months) for the unemployed up to 24 years old to establish new enterprise.
- Promotion of youth entrepreneurship (18-24 years old), through mentoring about the establishment of start-ups.
- Training accompanied with relevant certificates for unemployed (18-29 years old) in sectors/professions placed in the strategic sectors of the Greek economy.
- Apprenticeships programs for young individuals (15-24 years old).

¹¹ <https://empedu.gov.gr/>

The duration of the program is extended in the period 2014-2023. The total budget of the Program is 500.841.580,00 Euros and the expected beneficiaries are 170.126 individuals (target-value during the period 2014-2023). According to the last assessment of the Program (31/12/2018), the 25% of the total budget is absorbed and 45% of the total budget is contacted so far.

4.2 European Globalization Adjustment Fund interventions for NEETs

The European Globalization Adjustment Fund¹² (EGF) provides support to people losing their jobs as a result of major structural changes in world trade patterns due to globalization, e.g. when a large company shuts down or production is moved outside the EU, or as a result of the global economic and financial crisis. As a general rule, the EGF can be used only where over 500 workers are made redundant by a single company (including its suppliers and downstream producers), or if a large number of workers are laid off in a particular sector in one or more neighboring regions. Until the end of 2017, young people not in employment, education or training (NEETs) in regions with high youth unemployment could benefit from EGF support in equal numbers to workers receiving support in those regions. The maximum number of NEETs who could be included is equal to the number of targeted worker beneficiaries. Priority was given to young persons made redundant or whose activity has ceased. The EGF projects including measures such as:

- help with looking for a job
- careers advice
- education, training and re-training
- mentoring and coaching
- grants for business creation
- mobility/relocation allowances

During the period 2014-2017, totally 1593 NEETs were supported by EGF projects. More specifically:

a. EGF/2014/009 – GR Sprider Stores – The Case of the company “Sprider Stores S.A.”

The project supported 550 young people not in employment, education or training, NEETs under the age of 30 (aged 15-29) and who were inactive or unemployed or long-term unemployed, whether registered as job-seekers or not. The project was approved with a budget of EUR 12.151.500,00. The Program duration was from 1/9/2014 to 1/9/2016.

b. EGF/2014/013 – GR Odyssefs Fokas – The Case of the company “Odyssefs Fokas S.A.”

The project supported 500 young people not in employment, education or training, (NEETs) who were less than 30 years old (aged 15-29) and economically inactive or unemployed or long-term unemployed, whether registered as job-seekers or not. The

¹² <https://egf-greece.gr>

project was approved with a budget of EUR 10.740.000,00. The Program duration was from 20/10/2014 to 20/10/2016.

c. EGF/2015/011 – GR Supermarket Larissa – The Case of the company “Supermarket Larissa ABEE”

The Project supported 543 young people not in employment, education or training, (NEETs), who are less than 30 years old (aged 15-29) who are not in employment, education or training and who are economically inactive or unemployed or long-term unemployed, whether registered as job-seekers or not. The project was approved with a budget of EUR 10.780.000,00. The Program duration was from 26/2/2016 to 31/12/2017.

4.3 Public apprenticeship program

The public apprenticeship program¹³ is implemented by the Greek Manpower Employment Organization (OAED), through 50 specialized institutes (EPAS). The apprenticeship program includes vocational training (21 hours per week) and paid internship in private enterprises (36 hours per week) for 2 years. The apprenticeship program subsidizes the 56% of the paid internship (44% is covered by the employee). The beneficiaries are young individuals 16-23 years old, selected after an evaluation process based on a point-system. During the period 2014-2023, the apprenticeship program is funded by Sectoral Operational Program “Human Resources Development, Education & Lifelong learning”- Priority Axis 10 (ESF). The total budget of the program is 229.342.715 Euros and the expected beneficiaries are 107.205 individuals (target-value during the period 2014-2023). According to the last assessment of the Program (31/12/2018), the 11,33% of the total budget is absorbed and 38,37% of the total budget is contacted so far.

4.4 The Career Guidance and Counselling Centers (KESYPs) of the Ministry of Education and Religious Affairs

According to the L.2525/1997, the Career Guidance and Counselling Centers (KESYPs) are specialized structures providing vocational guidance to young individuals up to 25 years old. Totally, 79 KESYPs are operating all over the Greece under the supervision of the Ministry of Education and Religious Affairs. The services provided are:

- Design and implementation of vocational guidance programs.
- Mentoring and vocational guidance to students/young people up to 25 years old.
- Organization of workshops/site visits/open events about the issues around vocational guidance.
- Bridging the beneficiaries with the labor market and the local society.

¹³ <http://www.oea.gr/epas>

4.5 Re-Generation

ReGeneration¹⁴ is a project of the Global Shapers Athens Hub, an initiative of the World Economic Forum designed to help combat both youth unemployment and the brain drain phenomenon - when talented graduates flee Greece to find employment abroad. It is paid placement, and personal and professional development program aimed at talented graduates of all backgrounds interested in taking their first professional steps and distinguishing themselves in Greece. The project offers to the beneficiaries:

- a) Paid placement in multinational, small and medium-sized companies, and startups in Greece
- b) training with emphasis on personal and professional development (72 hours)
- c) mentoring services
- d) community work in selected NGOs.

The beneficiaries are Graduates of Greek or foreign colleges of higher education (AEI / TEI /college), in all cognitive fields, with zero or limited work experience up to 29 years old, as the program is aimed at graduates at the beginning of their careers. The Re-Generation achieved 700 paid placements in 300 different hiring companies (82% retention rate). Totally, 100.000 hours of training provided to the beneficiaries and 15.000 hours of community service were provided to the society through NGOs.

¹⁴ <http://regeneration.gr/en/>

5 Outlook and conclusions

5 Outlook and conclusions

While the Greek economy and society are still far below the pre-crisis levels of output, income and job opportunities, recent trends evidence that public initiatives and reforms undertaken in the last years seem to bring the country to some sort of normality and positive outlook. With more still left to be done, the preceding analysis stressed that youth unemployment has been a persistent phenomenon, which has been severely intensified during the crisis with dramatic consequences among which brain drain holds a striking position and will require time and consistent efforts to be halted let alone reversed. Reforms in the education and vocational training systems along with more active labour policies in public schemes need to be designed and introduced to tackle the education-to-job transition challenges youth NEETs currently face. Additional efforts should focus into better organization and coordination among local organisations supporting employment, as well as careful planning of public policies such as the Basic Guaranteed Income initiative which may affect those public policies focusing on work inclusion and cultivation and encouragement of youth entrepreneurial spirit. Finally, more, and more reliable, data and targeted large scale studies are needed not only to shed more light to specific target groups such as minorities, migrants and refugees and other vulnerable groups which are largely unexplored, but also to allow researchers to go deeper into the characteristics and needs of sub-group of NEETs. Above all, though, improved data sets will allow policy makers to prepare better policies and public spending and build the evidence base.

With reference to rural areas which is a priority and the main catchment area of the Greek partner the following dimensions seem to offer promising opportunities:

- A more active role of NEETs could be supported in order to take over their family business, re-organising and modernizing practices. There seems to be a need not only in sectors where succession is a persistent challenge, such as in agriculture, but also in activities in the main urban settings and local productive system.
- In that direction interventions should focus both on soft and digital skills, but also on new skills and approaches that would allow beneficiaries to change the character and improve the performance of their family business. Indicatively, these might be new agricultural products, new/alternative practices such as precision agriculture, as well as new marketing channels that would make use of digital tools. Although plant and animal production might be easier to consider, opportunities should be also traced in the entire agri-food value chain.
- To build on the advanced educational level of Greek NEETs, it would be worth considering new approaches in creating and organizing work, such as platform cooperatives.
- Finally, special focus should be placed on Roma NEETs and refugees, mainly to facilitate their re-introduction to formal education and training but also to certify skills and smoothen their access to formal employment and/or self-employment/micro-business creation initiatives. To this end, cooperatives and

social economy organisations appear as promising vehicles to create stable and decent employment opportunities.

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