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NOTE

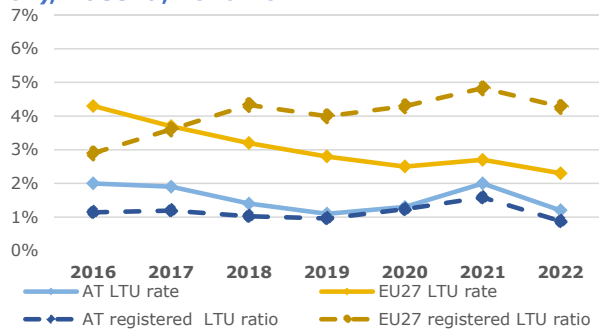
From:	Employment Committee
To:	Permanent Representatives Committee/Council
Subject:	Implementation of the Recommendation on the integration of the long-term unemployed into the labour market – Key Messages from the Employment Committee

With a view to the EPSCO Council on 20 June 2024, delegations will find attached Annex 3: executive summaries on the implementation of the Recommendation on the integration of the long-term unemployed into the labour market.

Austria - Executive summary

Context for implementation

Figure 1: Key aggregate indicators (LTU aged 25-64), Austria, 2016-2022

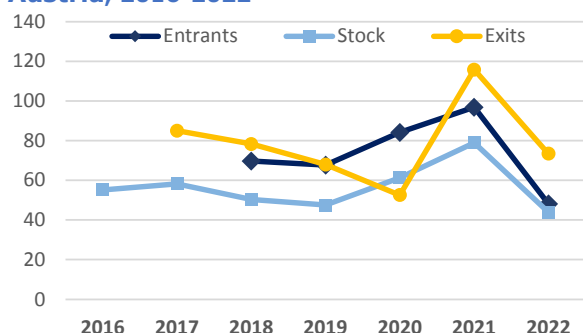


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat

- ❖ According to EU_LFS data, the LTU rate in Austria fell since the launch of the LTU recommendation from 2.0% in 2016 (4.3% at EU level) to a low of 1.1% in 2019. This improvement was completely reversed over the two years of the pandemic, with the LTU rate back to 2.0% in 2021 (2.7% at EU level). In 2022, the LTU rate fell back to 1.2% and is again well below the rate at EU level (2.3%).
- ❖ In 2016, the registered LTU ratio in Austria (based on administrative data) was just 1.1%, less than half the ratio seen at the EU level (2.9%). Up to 2019, it fell to 1.0% whilst the EU level ratio rose to 4.0%. Between 2020 and 2021, the registered LTU ratio in Austria increased to 1.6% (4.8% at EU level), but in 2022 it dropped to 0.9%.

LTU flows

Figure 2: Main variables (000s), LTU 25-64, Austria, 2016-2022

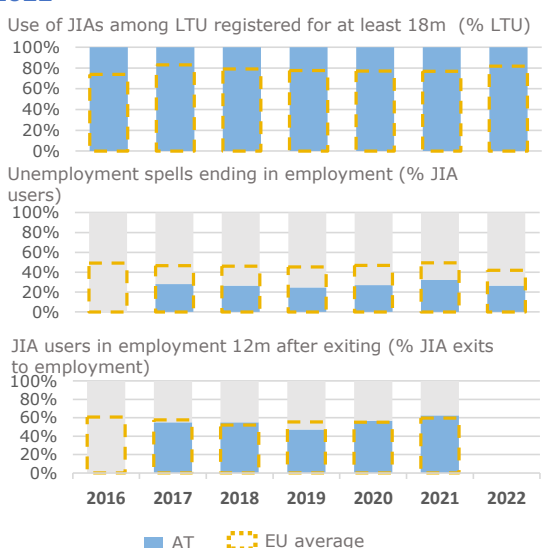


Source: DG EMPL, LTU monitoring database

The administrative data on stocks and flows of registered LTU show progressively declining numbers up to 2019. Inflows to long-term unemployment increased significantly in both 2020 and 2021 whilst outflows continued to fall in 2020 (few job opportunities during lockdown periods) but rose significantly in 2021 as labour market conditions eased. Through the pandemic, the average stock of registered LTU jumped from 47.5 thousand in 2019 to 78.9 thousand in 2021 (+66%). In 2022, both entrants and exits dropped drastically, but there was a net outflow which resulted in the average stock falling by 44.4% to reach a new low (44 thousand).

Key results

Figure 3: Key monitoring results, Austria, 2016-2022



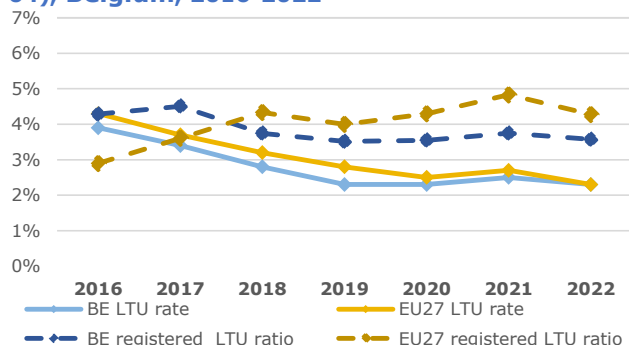
Source: DG EMPL, LTU monitoring database

- ❖ In Austria, all unemployed receive an IAP that is considered (at national level) to fulfil the requirements of a JIA. Consequently, 100% of people becoming LTU have a JIA.
- ❖ Prior to the pandemic, around a quarter of JIA users whose unemployment spell ended each year left the register to take up work. The proportion increased to 32.2% in 2021 but went back to its pre-pandemic levels in 2022 (26.4%). In all reference years, results were below the EU average (43.6% in 2022).
- ❖ Follow-up data on JIA users who left the register to start work show that, for most years, around 55% were in employment 12 months later. The only exception is for those leaving in 2019, when the figure fell to 47.1%, reflecting the difficult job market in 2020. For those that left in 2021, this share increased to 62.7%.

Belgium - Executive summary

Context for implementation

Figure 4: Key aggregate indicators (LTU aged 25-64), Belgium, 2016-2022

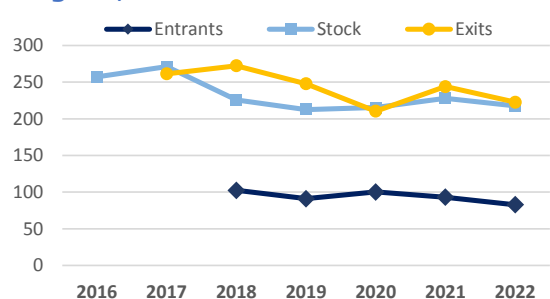


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat

- ❖ According to the EU-LFS data, the LTU rate in Belgium has been consistently just below the rate for the EU as a whole, falling from 3.9% in 2016 to 2.3% in 2020. In 2021, the downward trend ended as the LTU rate rose to 2.5%. In 2022, the LTU rate was 2.3% both in Belgium and the EU as a whole.
- ❖ The registered LTU ratio in Belgium (based on administrative data) was above the EU aggregate level in 2016 and 2017 but then dropped to 3.7% in 2018 whilst the EU figure rose to 4.3%. Since then, the ratio in Belgium fluctuated between 3.5% and 3.7% whereas the EU ratio rose to 4.8% in 2021 before dropping back to 4.3% in 2022.

LTU flows

Figure 5: Main variables (000s), LTU 25-64, Belgium, 2016-2022



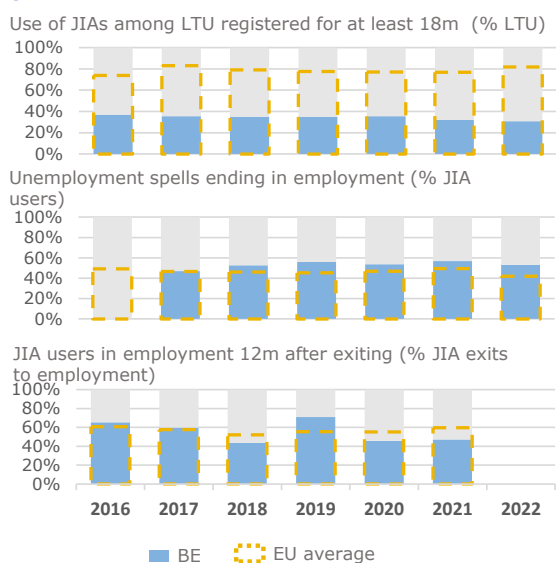
Note: The number of exits appears more than double the number of entrants because data count multiple exits in case of short interruptions to the unemployment spell.

Source: DG EMPL, LTU monitoring database

The number of registered unemployed becoming LTU (entrants) has remained fairly constant up to 2021, ranging between 90 and 100 thousand per year. In 2022, however, entrants dropped to 83 thousand. There has been more variation in the number of exits, with a notable decline through 2019 and 2020, an increase 2021 and another decrease in 2022. The annual average stock of LTU decreased by a fifth between 2017 and 2019 but then rose in both 2020 and 2021, reflected the increased number of people that lost their jobs in 2020 due to the pandemic and then became LTU in 2021. In 2022, stocks dropped by 4.5%.

Key results

Figure 6: Key monitoring results, Belgium, 2016-2022



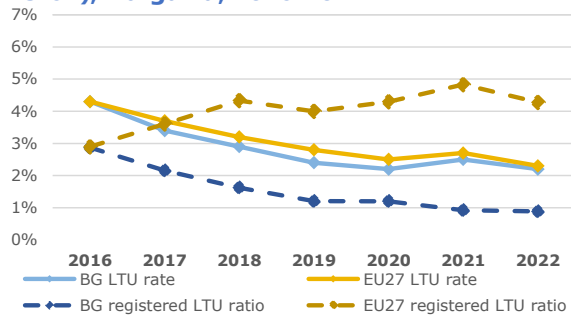
Source: DG EMPL, LTU monitoring database

- ❖ In 2022, less than a third (30.9%) of LTU registered for at least 18 months in Belgium had an active IAP (=JIA). That is the lowest result observed since data were first collected in 2016 and a long way below the EU average (81.4%).
- ❖ Since 2017, an average of 53% of all JIA users that ended their unemployment spell exited to employment (53.1% in 2022), noticeably above the proportion at EU level (43.6% in 2022).
- ❖ Follow-up data on JIA users who took up employment upon exit, show mixed results as there are significant differences across years. The proportion of LTU who were in work 12 months after exiting to employment ranges from 43.4% in 2018 to 70.9% in 2019.

Bulgaria - Executive summary

Context for implementation

Figure 7: Key aggregate indicators (LTU aged 25-64), Bulgaria, 2016-2022

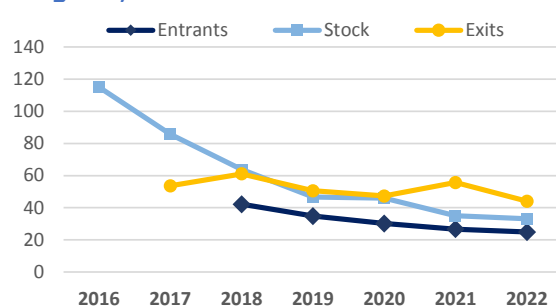


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU Recommendation in 2016, the LTU rate in Bulgaria fell progressively from 4.3% to 2.2% in 2020. This trend was broken by a small increase (+0.3 pp) in 2021, but in 2022 the LTU rate dropped back to 2.2%, marginally below the EU level (2.3%).
- ❖ In 2016, the registered LTU ratio in Bulgaria (based on administrative data) was the same as at the EU level (2.9%). Whilst the ratio in Bulgaria fell each year thereafter to reach 0.9%, at EU level the ratio to a peak of 4.3% in 2021 before falling back to 4.3% in 2022.

LTU flows

Figure 8: Main variables (000s), LTU 25-64, Bulgaria, 2016-2022

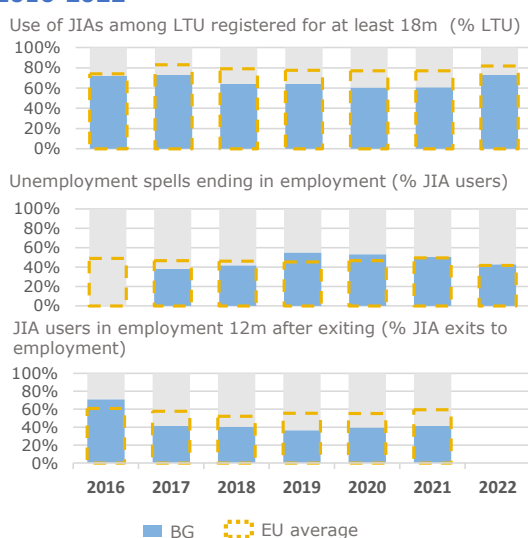


Source: DG EMPL, LTU monitoring database

- ❖ Data on flows and stocks provided by Bulgaria appear incoherent and should be revised when a new monitoring system is in place.
- ❖ Inflows to registered long-term unemployment have fallen every year since 2018. Outflows also fell in 2019-2020 but rose substantially in 2021, probably reflecting improved labour market conditions post-COVID, before falling back again in 2022. In all years, exits outweighed entrants, implying a net outflow.
- ❖ The average stock of registered LTU more than halved between 2016 and 2019 (-59.3%). The rate of decline paused in 2020 (-1.4%) but increased again in 2021 (-24.0%). In 2022, there was a further decrease of -5.3%.

Key results

Figure 9: Key monitoring results, Bulgaria, 2016-2022



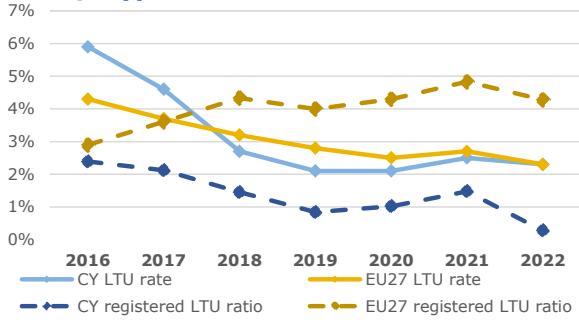
Source: DG EMPL, LTU monitoring database

- ❖ In Bulgaria a JIA (employment integration agreement) was introduced in May 2018. Data for previous years refer to LTU with an IAP and are therefore not directly comparable.
- ❖ On average during 2018 and 2019, 64% of LTU registered for at least 18 months in Bulgaria had a JIA. In 2020 and 2021 that share reduced slightly to 61%, but in 2022 increased to 72.8%, still some way below the EU average of 81.4%.
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment rose between 2018 and 2019 but has since fallen, though the 2022 level of 43.0% is on a par with the EU average (43.6%).
- ❖ Two in five (41.3%) JIA users were still employed 12 months after exiting to employment in 2021, the highest seen since 2018. Sustained employment outcomes in Bulgaria are, however, well below the EU average (59.5% in 2022).

Cyprus - Executive summary

Context for implementation

Figure 10: Key aggregate indicators (LTU aged 25-64), Cyprus, 2016-2022

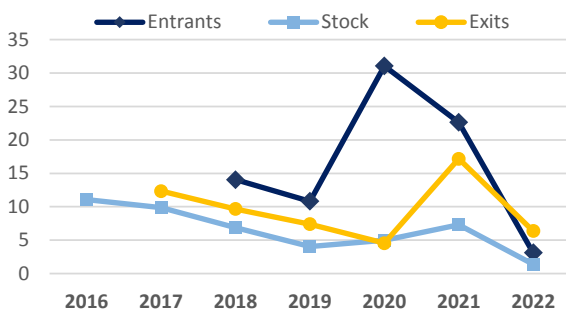


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ Since the adoption of the LTU Recommendation in 2016, the LTU rate in Cyprus (according to EU-LFS) has improved considerably, dropping from 5.9% to 2.1% in 2019 and 2020. In 2021, the rate rose slightly to 2.5%, but it dropped back to 2.3% in 2022.
- ❖ The registered LTU ratio (based on administrative data), which reflects the size of the client base supported by the LTU Recommendation, dropped from 2.4% in 2016 to just 0.3% in 2022 despite an increase up to 1.5% during the pandemic. Note, however, that the Cypriot LTU monitoring data are affected by methodological changes and data for 2022 show a surprising drop compared to pre-pandemic levels and considering the behaviour of LTU rate.

LTU flows

Figure 11: Main variables (000s), LTU 25-64, Cyprus, 2016-2022

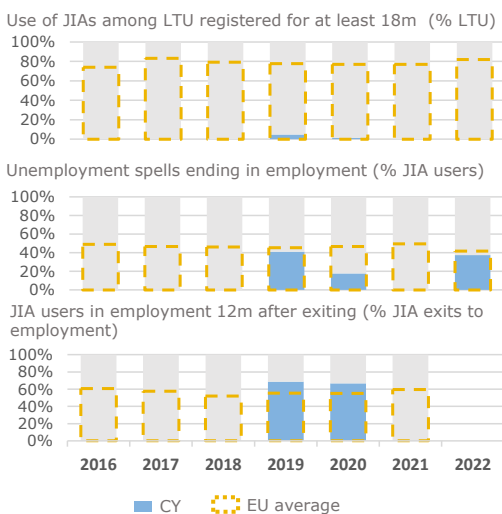


Source: DG EMPL, LTU monitoring database

In response to the restrictions due to COVID-19, Cyprus made the monthly renewal of unemployment status automatic from March 2020 to June 2021. By eliminating the automatic deregistration of people failing to attend interviews, inflows increased and outflows reduced so that stocks increased. Although there was also some impact from the lack of job opportunities during the pandemic, this administrative change caused a large part of the changes seen in 2020, which then reduced or reversed in 2021 as renewal processes reverted to normal and labour market conditions eased. In 2022, reported stocks and flows all moved well below their pre-pandemic levels but the reliability of the data is difficult to ascertain.

Key results

Figure 12: Key monitoring results, Cyprus, 2016-2022



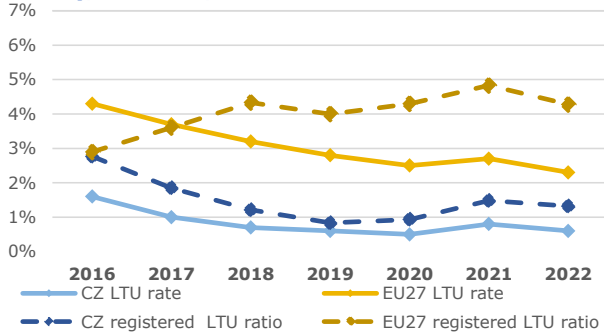
Source: DG EMPL, LTU monitoring database

- ❖ The Cypriot JIA became available to LTU in January 2019. Due to COVID-19, provision was suspended from mid-March 2020 and existing JIAs were terminated. Provision restarted in October 2022. As a result, JIA coverage was very low in 2019 and 2020 and there were no JIA users in 2021. Even in 2022, only 14 LTU were provided with a JIA.
- ❖ Comparisons of JIA exits to employment across time are not straightforward due to the small numbers concerned. In 2022, more than a third (37.5%) of JIA exits were to employment.
- ❖ Due to the low numbers of JIA exits to employment in 2019 and 2020, data on the situation of participants 12 months after exiting are not particularly meaningful. For 2021, there were no JIA users during the year.

Czechia - Executive summary

Context for implementation

Figure 13: Key aggregate indicators (LTU aged 25-64), Czechia, 2016-2022

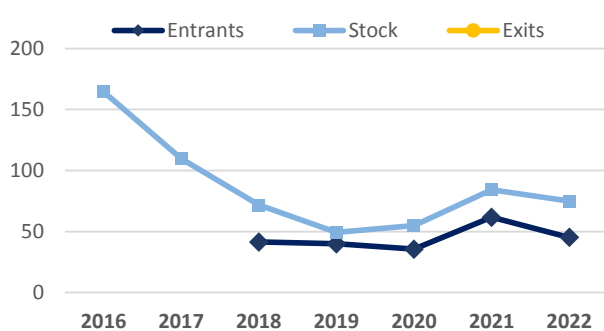


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU Recommendation in 2016, the LTU rate in Czechia fell each year from 1.6% to just 0.5% in 2020. There was a small increase (+0.3 pp to 0.8%) in 2021 but the rate fell back again in 2022 to reach 0.6%, well below the rate at EU level (2.3%).
- ❖ In 2016, the registered LTU ratio in Czechia (based on administrative data) was 2.8%, much as at EU level (2.9%). By 2019, the registered LTU ratio in Czechia had dropped to 0.8% whilst the EU level ratio increased to 4.0%. Both ratios increased in 2020 and 2021 to reach 1.5% and 4.8% respectively but fell back in 2022 to 1.3% in Czechia and 4.3% at EU level.

LTU flows

Figure 14: Main variables (000s), LTU 25-64, Czechia, 2016-2022

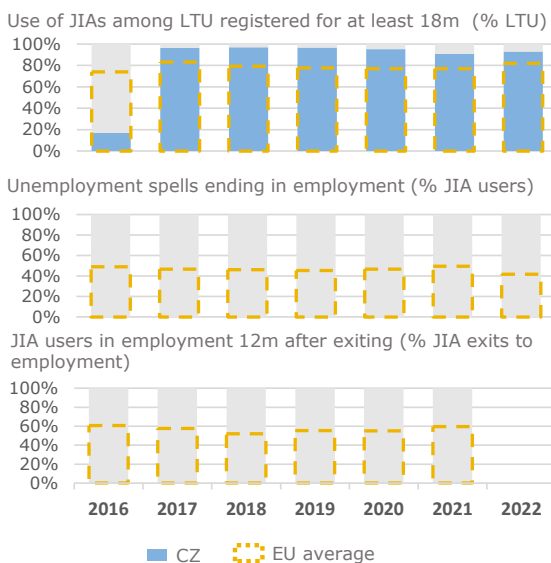


Source: DG EMPL, LTU monitoring database

- ❖ Data on flows in and out of long-term registered unemployment are incomplete for Czechia as there are no data on the total number of ending unemployment spells. Inflows remained fairly steady between 2018 and 2020 but rose by more than 70% in 2021. In 2022, inflows fell back by a quarter (-26.8%) but remain above the 2020 level (45 vs 35.5 thousand).
- ❖ Between 2016 and 2019 the average stock of registered LTU declined progressively with an overall decline of 70.0% (from 164.5 to 49 thousand). In 2020, as the pandemic hit, this trend was interrupted. The numbers of LTU continued to rise in 2021 to reach 84 thousand but fell back in 2022 to 75 thousand, similar to 2018 levels.

Key results

Figure 15: Key monitoring results, Czechia, 2016-2022



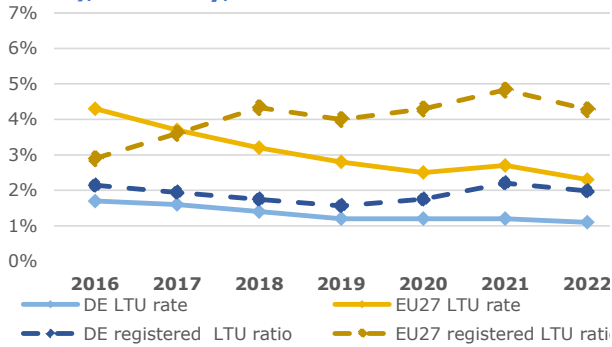
Source: DG EMPL, LTU monitoring database

- ❖ In Czechia, all unemployed receive an IAP within 6 months of registration. In principle, therefore, the indicator should show 100% coverage (i.e. all LTU are by default JIA users). In practice, the data show a coverage of 95-97% in 2017-2020 and 90-93% in 2021 and 2022. The remaining LTU are those not immediately available to work whose IAP is considered inactive. The data for 2016 (only 31.8% coverage) are not comparable because the necessary changes to the monitoring system were not implemented.
- ❖ Although data on the number of JIA users that ended their unemployment spell by taking up work is provided, the total number of JIA users that ended their unemployment spell is not. Consequently, it is not possible to calculate the proportion that exited to employment.
- ❖ Czechia has still not managed to provide any follow-up data.

Germany - Executive summary

Context for implementation

Figure 16: Key aggregate indicators (LTU aged 25-64), Germany, 2016-2022



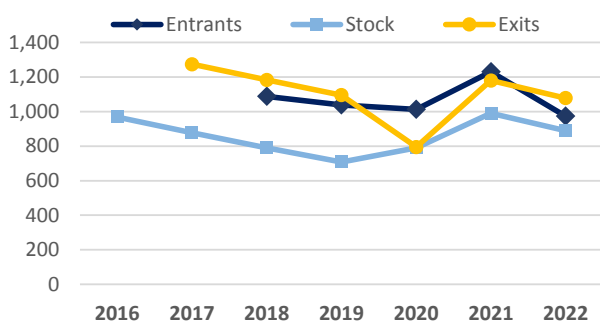
Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

❖ According to the EU-LFS data, from the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Germany declined from 1.7% to a low of 1.2%, less than half the rate at EU level (2.8%). The COVID-19 pandemic halted this trend, with the LTU rate remaining unchanged in 2020 and 2021. In 2022, there was a small decline to 1.1% (2.3% at the EU level).

❖ In 2016, the registered LTU ratio (based on administrative data) was noticeably lower in Germany than at EU level (2.1% vs 2.9%) and this difference widened up to 2019 (1.6% vs 4.0%) as the LTU ratio fell in Germany. In 2020 and 2021, both ratios increased (to 2.2% in Germany and 4.8% in the EU) but there was some improvement in 2022 (to reach 2.0% and 4.3% respectively).

LTU flows

Figure 17: Main variables (000s), LTU 25-64, Germany, 2016-2022



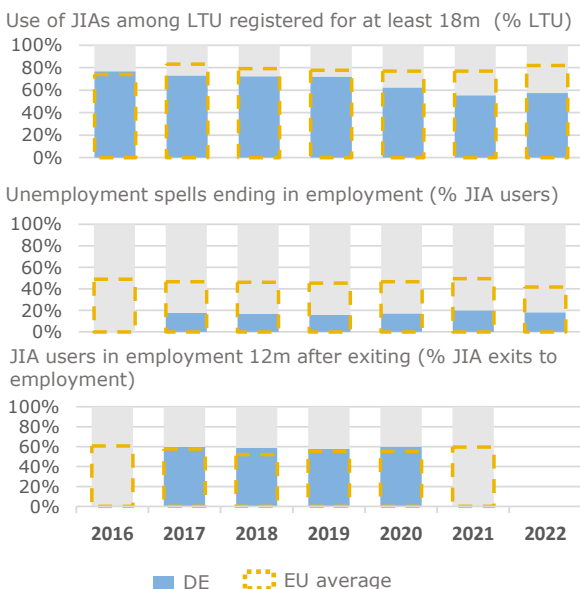
Source: DG EMPL, LTU monitoring database

❖ The number of registered unemployed becoming LTU (entrants), declined in all years but 2021 when it increased due to COVID-19. In 2022, entrants dropped by a fifth (-20.8%) to reach a new low. The number of LTU ending their unemployment spell (exits), outweighed entrants in all reference years but 2020 and 2021.

❖ As a result, the stock of registered LTU decreased up to 2019 and increased in 2020 and 2021, to reach the highest level seen since monitoring of the LTU recommendation began. In 2022, numbers of registered LTU dropped by 10.3% to reach 889 thousand, similar to 2017 levels.

Key results

Figure 18: Key monitoring results, Germany, 2016-2022



Source: DG EMPL, LTU monitoring database

❖ In Germany active integration agreements can be time-limited or subject to an obligatory periodic renewal. JIA users are LTU with a valid integration agreement at the time of observation.

❖ JIA delivery was clearly impacted by the pandemic as the share of LTU registered for at least 18 months with an active JIA dropped from 72-73% in 2017-2019 to 62.5% in 2020 and 55.6% in 2021. There was a slight improvement in 2022 (57.5%) but coverage remains below the EU average of 81.4%.

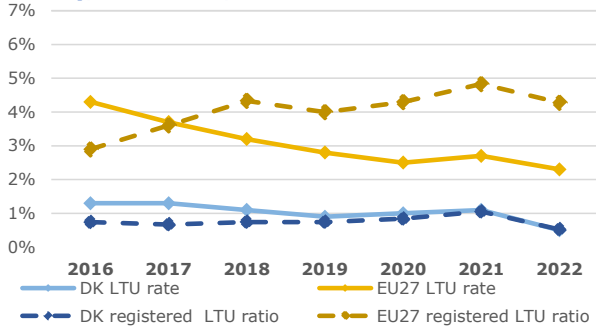
❖ The share of JIA users whose unemployment spell ended with an exit to employment stood around 16-17% between 2017 and 2020. This rose to 20.1% in 2021 but dropped back to 18.4% in 2022, some way below the EU average of 43.6%.

❖ For quality reasons, data on JIA users who were still employed 12 months after exiting to employment are provided with a delay. Data from previous years indicate that about 60% of JIA users are still employed 12 months after.

Denmark - Executive summary

Context for implementation

Figure 19: Key aggregate indicators (LTU aged 25-64), Denmark, 2016-2022

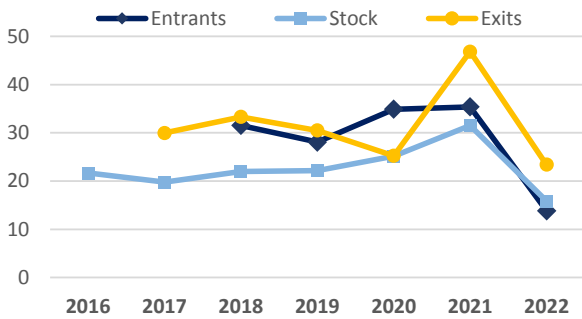


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to EU-LFS data, from the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Denmark fell from the already low level of 1.9% to just 0.9%. Subsequently there was a small increase to 1.1% by 2021, but in 2022 the rate reached a new low of 0.5%, the lowest rate in the EU.
- ❖ The registered LTU ratio in Denmark (based on administrative data) was stable at 0.7% between 2016 and 2019. It then increased to 0.8% in 2020 and 1.1% in 2021 but recovered to just 0.5% in 2022. The ratio at the EU level is 4.3%.

LTU flows

Figure 20: Main variables (000s), LTU 25-64, Denmark, 2016-2022

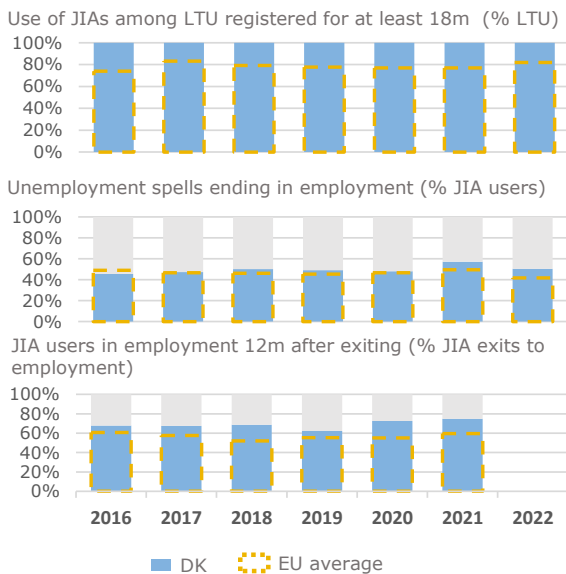


Source: DG EMPL, LTU monitoring database

- ❖ The number of people becoming registered LTU in Denmark (entrants) increased from around 30 thousand per year in 2018-2019 to 35 thousand in 2020-2021 (c.17%) but dropped to just 14 thousand in 2022 (-60.9%). The number of LTU ending their unemployment spell (exits), continued a downward trend into 2020 so that there was a net inflow, but then jumped significantly in 2021 (+85.5%) to generate a strong net outflow. In 2022, exits fell by 50.0% but because there was a similar fall amongst entrants there was still a net outflow.
- ❖ The net outflow in 2021 was concentrated in the latter half of year and the average stock across the year actually increased. The impact was, however, seen in 2022, when the average stock fell by 49.7% to 16 thousand.

Key results

Figure 21: Key monitoring results, Denmark, 2016-2022



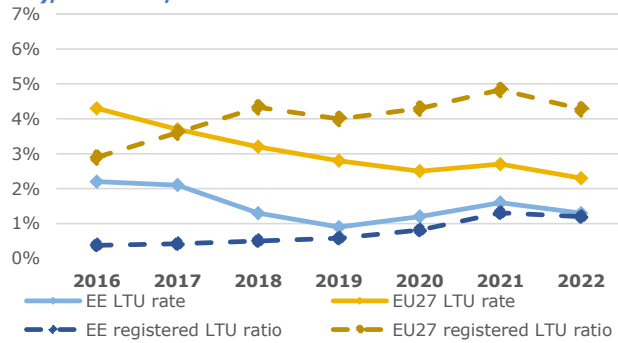
Source: DG EMPL, LTU monitoring database

- ❖ In Denmark, an IAP considered to fulfil the requirements of a JIA is provided to all unemployed, therefore all LTU have a JIA by default (100% coverage).
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment stood around 45-50% between 2016 and 2020 but rose to 57.1% in 2021. In 2022, it dropped back to 50.6% but remains above the EU average of 43.6%.
- ❖ Three quarters (74.8%) of JIA users that started work in 2021 were still employed 12 months later. This is a better result than in previous years (range 62-68% in 2016-2019 and 72.5% in 2020) and well above the EU average of 59.5%.

Estonia - Executive summary

Context for implementation

Figure 22: Key aggregate indicators (LTU aged 25-64), Estonia, 2016-2022

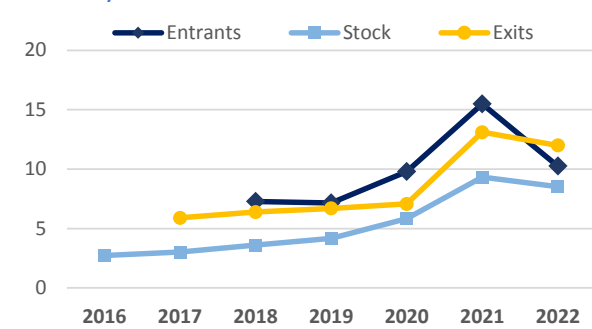


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ From the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Estonia (according to EU-LFS) declined from 2.2% to a low of 0.9%, a third of the rate at EU level (2.8%). The COVID-19 pandemic ended this progressive reduction, with the LTU rate rising in both 2020 (+0.3 pp) and 2021 (+0.4 pp) to reach 1.6%. In 2022, it dropped to 1.3%, still well below the rate at EU level of 2.3%.
- ❖ In 2016 and 2017, the registered LTU ratio in Estonia (based on administrative data) was 0.4%, well below the EU aggregate values of 2.9% and 3.6% respectively. The ratio for Estonia gradually increased to reach 1.3% in 2021 but fell back slightly in 2022 to 1.2%, still well below the value seen at EU level (4.3%).

LTU flows

Figure 23: Main variables (000s), LTU 25-64, Estonia, 2016-2022

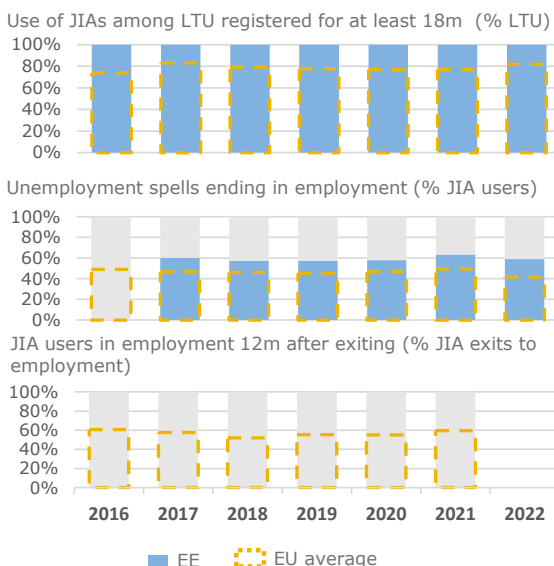


Source: DG EMPL, LTU monitoring database

- ❖ Up to 2021 (excluding 2019), the numbers of registered unemployed becoming LTU (entrants) and the numbers of LTU ending their unemployment spell (exits) rose in each year. Inflows exceeded outflows in each year, so that the average stock of LTU also increased year on year.
- ❖ Increases were particularly pronounced in 2021 when, due to COVID-19 but also due to methodological changes, the average stock of registered LTU rose by 59.6% making it more than 3 times the level in 2016.
- ❖ In 2022, entrants fell by a third (33.7%) but exits fell by far less (8.5%). This resulted in a net outflow that resulted in stocks dropping by 8.5%.

Key results

Figure 24: Key monitoring results, Estonia, 2016-2022



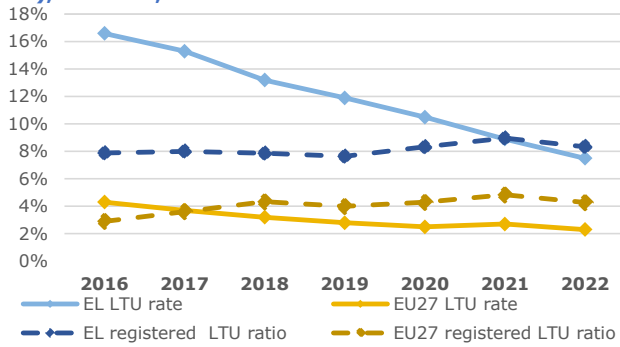
Source: DG EMPL, LTU monitoring database

- ❖ In Estonia, the IAP provided to all unemployed is considered (at national level) to fulfil the requirements of a JIA. Therefore, all LTU have a JIA by default (100% coverage).
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment was in the range 57-60% between 2017 and 2020 but rose to 63.3% in 2021. In 2022, it dropped again to 59.0%, still some way above the EU average of 43.6%.
- ❖ Data on JIA users who were still employed 12 months after exiting to employment is not available.

Greece - Executive summary

Context for implementation

Figure 25: Key aggregate indicators (LTU aged 25-64), Greece, 2016-2022

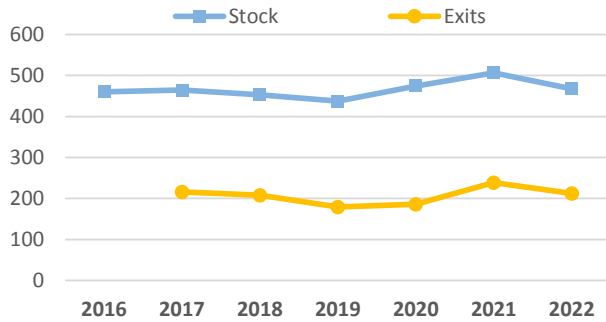


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, since the adoption of the LTU recommendation in 2016, the LTU rate for those aged 25-64 in Greece has declined every year from 16.6% to a low of 7.5% in 2022. Despite this improvement, the LTU rate in Greece remains more than three times that in the EU as a whole (2.3%).
- ❖ The registered LTU ratio in Greece (based on administrative data) was 7.9% in 2016 and remained at this level up to 2018. In 2019 there was a small drop to 7.6% but this improvement was more than reversed in 2020 and 2021 when the registered LTU ratio increased to 9.0%. In 2022, it fell back to 8.3%, still above pre-pandemic levels and almost double the ratio in the EU as a whole (4.3%).

LTU flows

Figure 26: Main variables (000s), LTU 25-64, Greece, 2016-2022

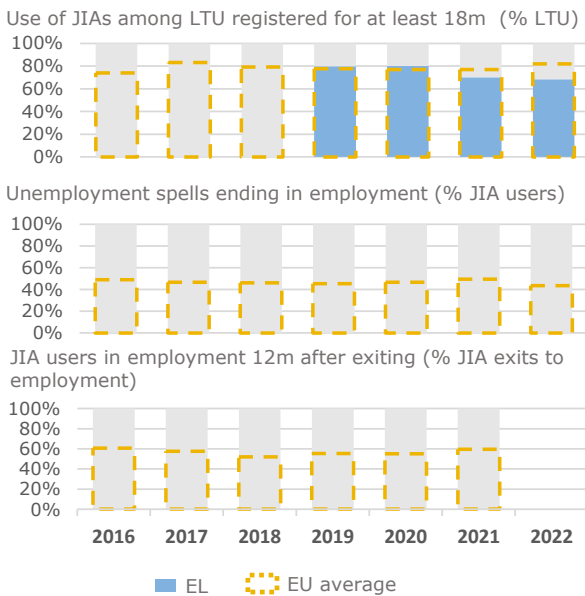


Source: DG EMPL, LTU monitoring database

- ❖ Greece does not provide data on the number of registered unemployed that become LTU (i.e. entrants).
- ❖ Between 2016 and 2019, the average stock of registered LTU in Greece fell by 5%. This improvement was more than undone by rises in 2020 and 2021, reflecting the more limited job opportunities because of the pandemic. In 2022, numbers of registered LTU fell but not enough to undo the increase in the previous two years.
- ❖ In 2022, the number of LTU ending their unemployment spell (exits) fell by 11.0%. The fact that stocks decreased implies a net outflow so that entrants presumably also fell.

Key results

Figure 27: Key monitoring results, Greece, 2016-2022



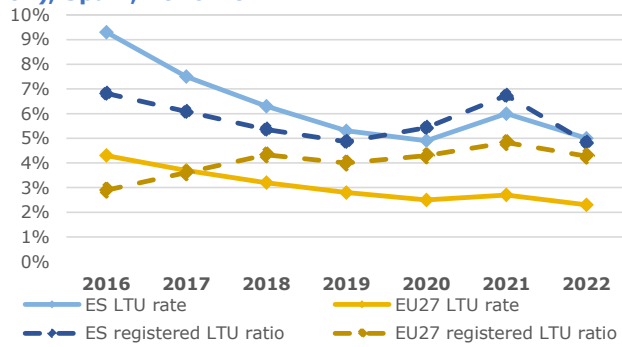
Source: DG EMPL, LTU monitoring database

- ❖ The share of LTU registered for at least 18 months who had a JIA has dropped from around 80% in 2019-2020 to 70.2% in 2021 and to 68.3% in 2022. That is well below the EU average of 81.9%.
- ❖ Data on the share of JIA users whose unemployment spell ended with an exit to employment are not available.
- ❖ Data on JIA users who were still employed 12 months after exiting to employment are not available.

Spain - Executive summary

Context for implementation

Figure 28: Key aggregate indicators (LTU aged 25-64), Spain, 2016-2022

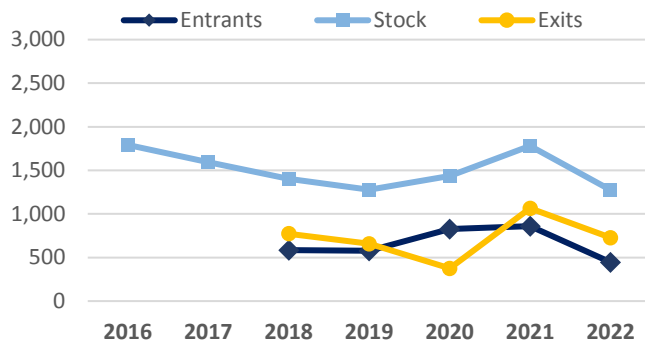


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU Recommendation in 2016 up to 2020, the LTU rate in Spain nearly halved, falling from 9.3% to 4.9%. This progressive reduction ended in 2021, with the LTU rate rising to 6.0%. In 2022, the LTU rate in Spain fell to 5.0%, more than twice the rate at EU level (2.3%).
- ❖ The registered LTU ratio in Spain (based on administrative data) dropped from 6.9% in 2016 to 4.9% in 2019 but subsequently rose back to 6.7% in 2021, only just below the same as the starting point in 2016. In 2022, the LTU ratio dropped to 4.8%, still higher but closer than before to the EU aggregate level (4.3%).

LTU flows

Figure 29: Main variables (000s), LTU 25-64, Spain, 2016-2022

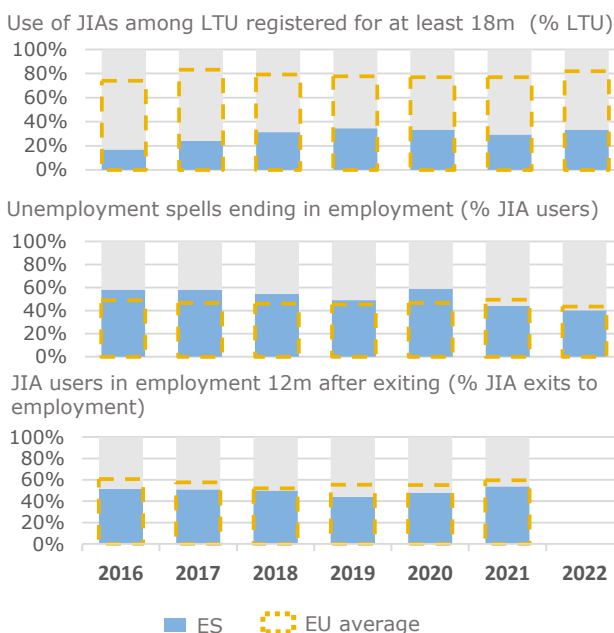


Source: DG EMPL, LTU monitoring database

In 2022, the number of registered unemployed becoming LTU (entrants) nearly halved (down by 48.3%) compared to 2021, reversing the increase over the previous two years so that inflows were slightly below pre-pandemic levels. The number of LTU ending their unemployment spell (exits), which had increased dramatically in 2020, also fell but to a smaller extent (-31.7%). This resulted to a net outflow in the year and a consequent reduction in the average stock of registered LTU to 1.3 million, a level last seen in 2019.

Key results

Figure 30: Key monitoring results, Spain, 2016-2022



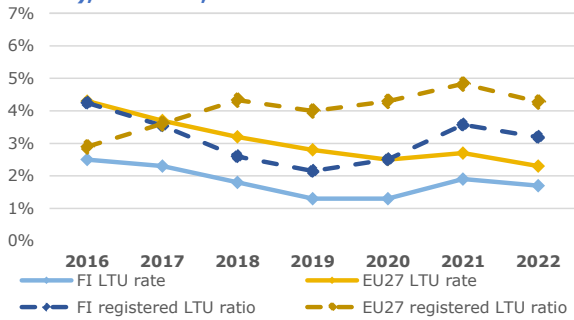
Source: DG EMPL, LTU monitoring database

- ❖ The share of LTU registered for at least 18 months who had a JIA rose from 17.1% in 2016 to 34.7% in 2019. After a decline in 2021 (29.4%), the share rose slightly to 33.4% in 2022, still well below the EU average of 81.4%.
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment stood at 40.3% in 2022, lower than in preceding years (44%-60%) and below the EU average of 43.6%.
- ❖ More than half (53.8%) of JIA users were still employed 12 months after exiting to employment in 2021, slightly below the EU average (59.5%). This is the highest value seen to date.

Finland - Executive summary

Context for implementation

Figure 31: Key aggregate indicators (LTU aged 25-64), Finland, 2016-2022



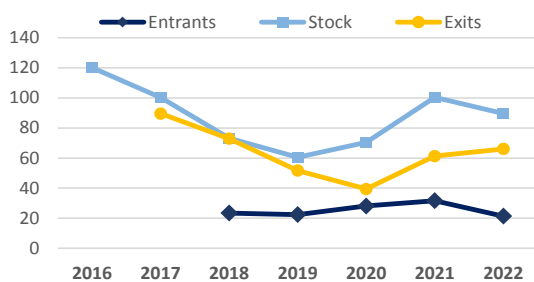
Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

❖ From the launch of the LTU recommendation in 2016 up to 2019, the LTU rate in Finland declined from 2.5% to a low of 1.3% (according to EU_LFS). The COVID-19 pandemic ended this progressive reduction, with the LTU rate remaining unchanged in 2020 and then rising to 1.9% in 2021. In 2022, there was a partial recovery as the LTU rate dropped to 1.7%. Throughout, the Finnish LTU rate has remained below that at EU level (2.3% in 2022).

❖ In 2016, the registered LTU ratio (based on administrative data), which measures the relative size of the population supported by the LTU Recommendation, was 4.2% in Finland compared to 2.9% at EU level. By 2019, the ratio in Finland dropped to 2.1% while the EU ratio increased to 4.0%. Both increased during the pandemic to reach 3.6% and 4.8% respectively in 2021 but recovered somewhat in 2022 to 3.2% and 4.3%.

LTU flows

Figure 32: Main variables (000s), LTU 25-64, Finland, 2016-2022



Note: The measurement of inflows and outflows from the Finnish register is not fully consistent. Exits include LTU whose unemployment spell is suspended, who are not counted as entrants when their spell restarts.

Source: DG EMPL, LTU monitoring database

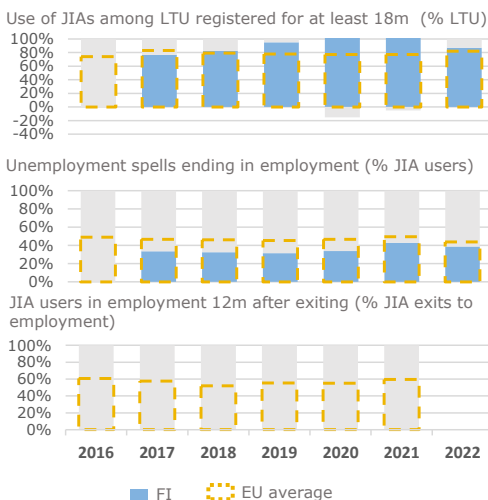
❖ Flow data show increased numbers of people becoming registered LTU (entrants) in both 2020 and 2021, a change that was more than reversed by a fall of 32.5% in 2022.

❖ Outflows (exits) continued to decline in 2020 but then recovered substantially in 2021 (+55.4%) and slightly more in 2022.

❖ Between 2016 and 2019 the average stock of registered LTU in Finland halved. This downward trend was abruptly ended by the pandemic which caused increases in both 2020 and 2021. In 2022, numbers of registered LTU fell back but the average stock remained well above pre-pandemic levels.

Key results

Figure 33: Key monitoring results, Finland, 2016-2022



Source: DG EMPL, LTU monitoring database

❖ Data on the use of JIAs among LTU registered for at least 18 months cannot be interpreted with any reliability as different methods are used to compile data for all LTU (monthly average stock) and LTU with a JIA (end-year stock). Indeed, this leads to coverage exceeding 100% in 2020 (115.2%) and 2021 (105.2%) because the number of JIA users at the end of the year was higher than the average number of LTU across the year.

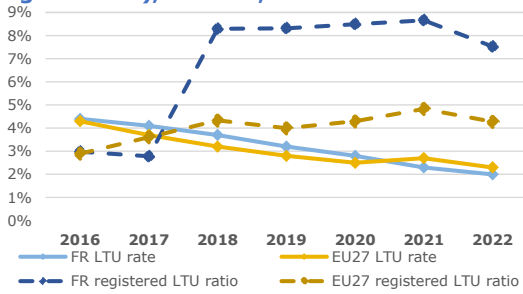
❖ Two fifths (38.9%) of JIA users whose unemployment spell ended in 2022 exited to employment, below the EU average of 43.6% and less than in 2021 (43.0%) but up compared to previous years (31-34% during 2017-2020).

❖ Finland has not yet been able to provide data on the follow-up of JIA users taking up employment.

France - Executive summary

Context for implementation

Figure 34: Key aggregate indicators (LTU aged 25-64), France, 2016-2022

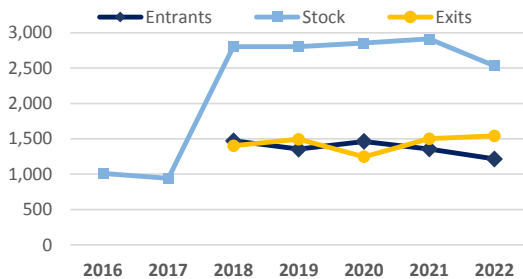


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ In 2016, when the LTU Recommendation was adopted, the LTU rate in France stood at 4.4% (according to EU-LFS), in line with the rate seen at EU level (4.3%). Subsequently both rates fell each year until 2020, but in 2021 the French rate continued to fall (to 2.3%) while the EU rate increased slightly (to 2.7%). In 2022, both rates dropped (2.0% in France and 2.3% at the EU level).
- ❖ Considering data for 2018 onwards due to a methodological break, the registered LTU ratio in France (based on administrative data) shows that the PES sees many more long-term unemployed clients than anticipated by the LTU rate. From 8.3% in 2018, almost double the EU level, the LTU ratio in France reached 8.7% in 2021. It dropped to 7.5% in 2022 but remains well above the EU figure.

LTU flows

Figure 35: Main variables (000s), LTU 25-64, France, 2016-2022

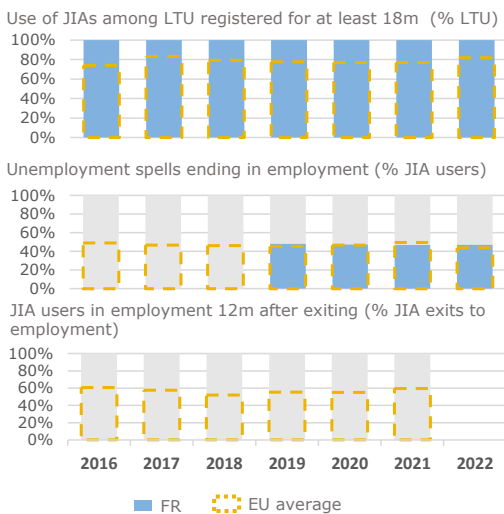


Note: Data prior to 2018 are not comparable with subsequent years.
Source: DG EMPL, LTU monitoring database

- ❖ Due to methodological changes, data on stocks of registered LTU prior to 2018 are not comparable with more recent data. From 2.8 million in 2018, the average stock of registered LTU has increased slightly to 2.9 million in 2021 but decreased to 2.5 million in 2022.
- ❖ Between 2018 and 2021 entrants fluctuated between 1.36 and 1.47 million, with an increase in 2020 due to the pandemic which was reversed in 2021. In 2022, the number of people becoming registered LTU dropped to 1.22 million (-10.4%).
- ❖ The number of LTU ending their unemployment spell (exits) followed the reverse, with a fall of nearly a quarter of a million in 2020 (-16.6%), which was reversed in 2021 (+20.4%). In 2022 exits increased slightly but due to the large decrease in entrants there was a substantial net outflow.

Key results

Figure 36: Key monitoring results, France, 2016-2022



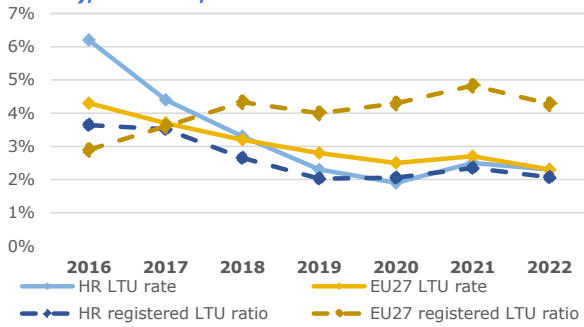
Source: DG EMPL, LTU monitoring database

- ❖ In France, all unemployed receive an IAP that is considered (at national level) to fulfil the requirements of a JIA, consequently 100% of people becoming LTU already have a JIA.
- ❖ In all reference years for which data are available, just under half of JIA users exited to employment. The share fell from 48.4% in 2019 to 46.8% in 2021 and to 47.3% in 2022, slightly above the EU average of 43.6%.
- ❖ Follow-up data for France are not available so that relevant indicators cannot be calculated.

Croatia - Executive summary

Context for implementation

Figure 37: Key aggregate indicators (LTU aged 25-64), Croatia, 2016-2022

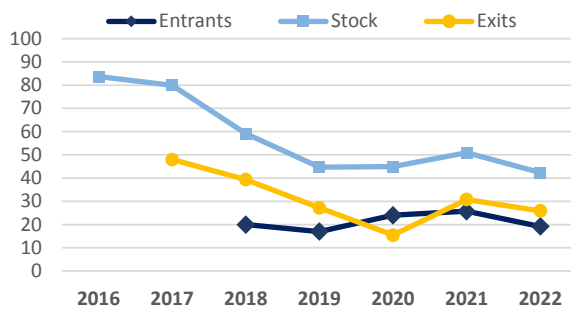


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ When the LTU Recommendation was introduced in 2016, the LTU rate in Croatia was 6.2% (according to EU-LFS), one of the highest seen in the EU. Subsequently, it improved so much that by 2020 it was well below the rate at EU level (1.9% vs 2.5%). A notable increase in 2021 (+0.6 pp to 2.5%) brought the LTU rate in Croatia back closer to the EU figure (2.7%) and in 2022 both rates stood at 2.3%.
- ❖ In 2016, the registered LTU ratio (based on administrative data), which reflects the size of the LTU client base supported by the LTU Recommendation was 3.6% in Croatia, above the EU figure of 2.9%. By 2019, however, the ratio in Croatia was half that at EU level (2.0% vs 4.0%). After small increases in 2020 and 2021, the registered LTU ratio in Croatia fell back to 2.1% in 2022 compared to 4.3% at EU level.

LTU flows

Figure 38: Main variables (000s), LTU 25-64, Croatia, 2016-2022

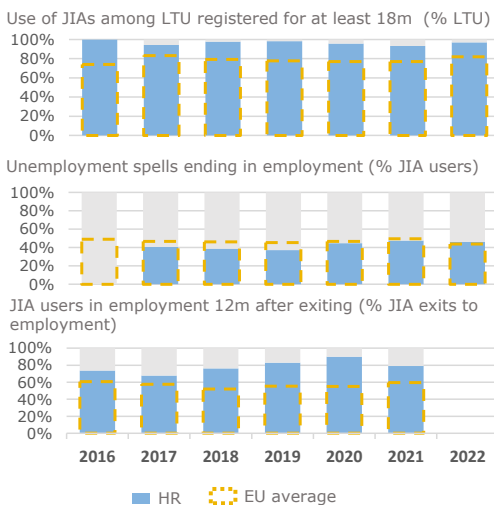


Source: DG EMPL, LTU monitoring database

- ❖ The number of registered unemployed becoming LTU (entrants) in Croatia increased in 2020 and 2021 due to COVID-19. Despite a fall in 2022, inflows remained above pre-pandemic levels. The number of LTU ending their unemployment spell (exits) fell sharply in 2020 but then recovered strongly in 2021 creating a net outflow. In 2022, exits dropped but a net outflow of LTU continued.
- ❖ The average stock of registered LTU declined progressively between 2016 and 2019 (-46.5%). Stocks hardly changed in 2020 but increased in 2021 despite the net outflow as exits were concentrated in the latter part of the year. In 2022, stocks fell back to just under the pre-pandemic level (42 thousand).

Key results

Figure 39: Key monitoring results, Croatia, 2016-2022



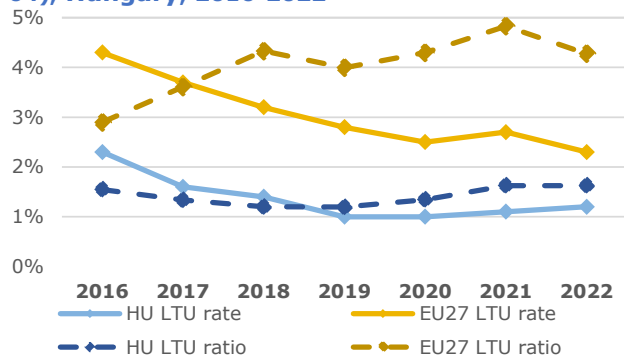
Source: DG EMPL, LTU monitoring database

- ❖ The share of LTU registered for at least 18 months with a JIA in Croatia is over 90% in all years and well above the EU average. Coverage fell slightly during the pandemic (93.3% in 2021 compared to 98.2% in 2019 and 96.9% in 2022) reflecting restrictions on access to PES offices.
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment has been slightly below the EU average in all reference years until 2022 (46.3% vs. 43.6% at EU level).
- ❖ Follow-up data suggest that outcomes are sustainable in Croatia. Eight in ten (79.1%) of JIA users that took up a job in 2021 were found to be in employment 12 months later. That is well above the EU average of 59.5%, but 10 pp lower than those that took up a job in 2020 (90.0%).

Hungary - Executive summary

Context for implementation

Figure 40: Key aggregate indicators (LTU aged 25-64), Hungary, 2016-2022



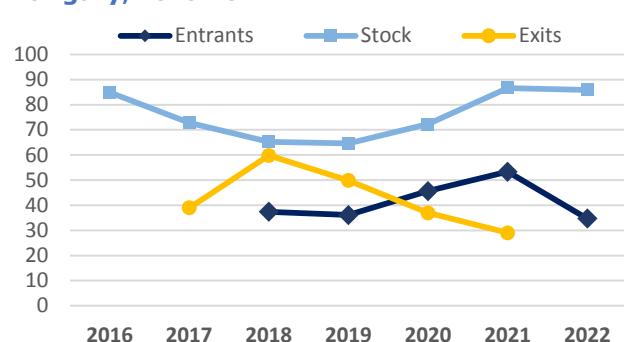
Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

❖ From the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Hungary declined from 2.3% to a low of 1.0%. The rate has since stabilised, remaining at 1.0% in 2020 and 1.1% and 1.2% in 2021 and 2022 respectively, well below the rate of 2.3% at EU level.

❖ The registered LTU ratio in Hungary was 1.5% in 2016. Between 2017-2020 it fluctuated between 1.2-1.3% but rose to reach 1.6% in 2021, where it stayed in 2022. The LTU ratio in Hungary is only just over a third of that at EU level (4.3%).

LTU flows

Figure 41: Main variables (000s), LTU 25-64, Hungary, 2016-2022



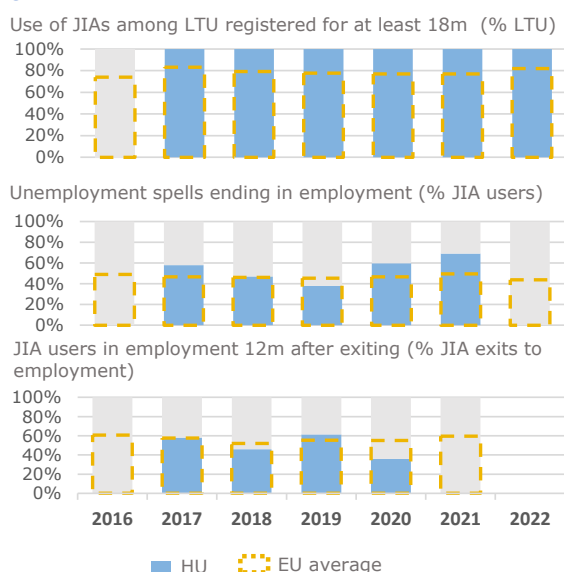
Source: DG EMPL, LTU monitoring database

❖ Between 2016-2019 the average stock of registered LTU in Hungary fell by a quarter (-23.9%). The downward trend was ended in 2020 as stocks rose by 11.9% and by a further 19.9% in 2021 to bring numbers slightly above those seen in 2016. In 2022, stocks remained unchanged (-0.8%).

❖ Between 2019 and 2021, the number of registered unemployed becoming LTU (i.e. entrants) rose significantly (+47.8%) while the number of LTU ending their unemployment spell (i.e. exits) declined by a similar proportion (41.8%), reflecting the impact of the pandemic. In 2022, entrants fell back by a third (-35.0%) but the provided data on exits had incomplete coverage and were not used in the analysis.

Key results

Figure 42: Key monitoring results, Hungary, 2016-2022



Source: DG EMPL, LTU monitoring database

❖ In Hungary, all registered unemployed receive an IAP that is considered (at national level) to fulfil the requirements of a JIA, consequently 100% of people becoming LTU already have a JIA.

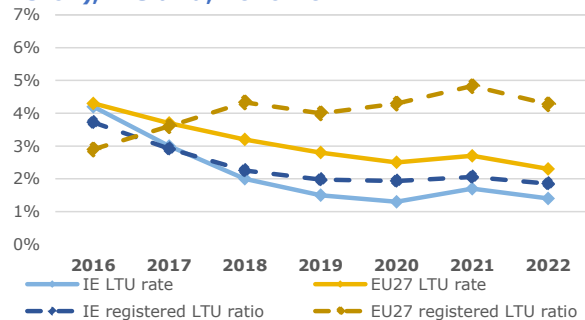
❖ The provided data on exits for 2022 were incomplete so that the share whose unemployment spell ended by exiting to employment cannot be calculated.

❖ Follow-up data showing the situation of JIA users who took up employment in 2021 12 months after exit are not yet available to calculate the indicator. Data on their situation 6 months after exit show that 28.9% were in employment (based on partial provisional data). This is considerably lower than the EU average (65.8%) and slightly below the result seen in 2020 (32.7%).

Ireland - Executive summary

Context for implementation

Figure 43: Key aggregate indicators (LTU aged 25-64), Ireland, 2016-2022

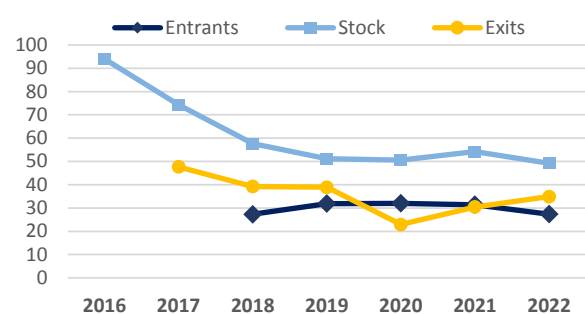


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ From the adoption of the LTU recommendation in 2016, the LTU rate in Ireland (according to EU-LFS) fell from 4.2%, to a low of 1.3% in 2020 or half the rate seen at EU level (2.5%). In 2021, the LTU rate in Ireland increased to 1.7% but it recovered in 2022 and fell back to 1.4% (2.3% at the EU level).
- ❖ Between 2016-2020, the registered LTU ratio (based on administrative data), which measures the relative size of the population supported by the LTU Recommendation, dropped from 3.7% in Ireland (above the EU level of 2.9%) to 1.9%, less than half the ratio seen at EU level (4.3%). In 2021, there was a small increase of 0.2 pp, which was reversed in 2022.

LTU flows

Figure 44: Main variables (000s), LTU 25-64, Ireland, 2016-2022

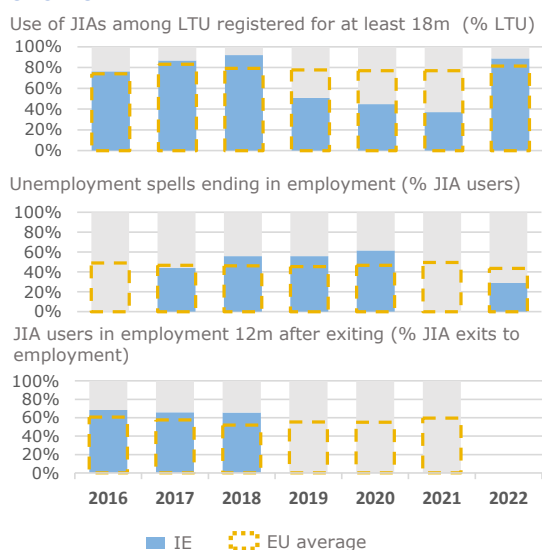


Source: DG EMPL, LTU monitoring database

- ❖ The number of people becoming registered LTU in Ireland (entrants) remained fairly constant between 2019 and 2021 at around 32 thousand per year but reduced to 27 thousand in 2022. The number of LTU ending their unemployment spell (exits) fell from 39 thousand in 2019 to just 23 thousand in 2020, generating a net inflow into long-term unemployment. The number of exits recovered in 2021 and 2022 but surpassed entrants only in 2022.
- ❖ The Irish LTU stock data show virtually no change in 2020 and a 7% increase in 2021 (from 51 to 54 thousand). In 2022, stocks reduced by 9.2% to 49 thousand which is the lowest seen since 2016. However, the data are based only on start- and end-year figures and may not present a fully representative picture.

Key results

Figure 45: Key monitoring results, Ireland, 2016-2022



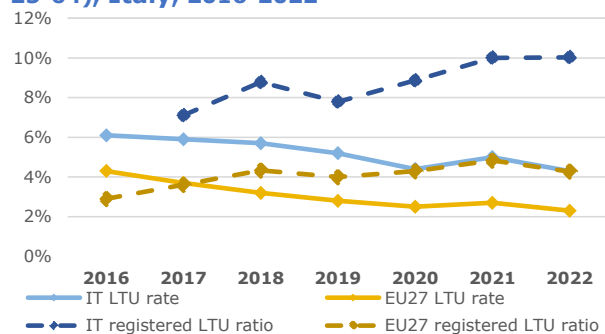
Source: DG EMPL, LTU monitoring database

- ❖ There are two important breaks in the time-series for all data referring to JIA users in Ireland, one in 2019 and one in 2022. This means that data are not directly comparable.
- ❖ Almost nine in ten (88.6%) LTU registered for at least 18 months were provided with a JIA in 2022. That is above the EU average of 81.4%.
- ❖ Less than a third (29.0%) of JIA users exited unemployment in 2022 to start work. That is well below the EU average of 43.6%.
- ❖ Follow-up data showing the situation of JIA users who took up employment have not been provided since 2019.

Italy - Executive summary

Context for implementation

Figure 46: Key aggregate indicators (LTU aged 25-64), Italy, 2016-2022

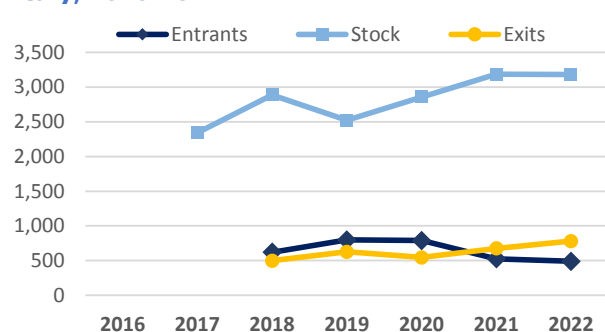


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ From the adoption of the LTU Recommendation in 2016 up to 2020, the LTU rate in Italy (based on the EU-LFS) declined progressively from 6.1% to a low of 4.4%, though always remaining some way above the rate at EU level. This downward trend was halted in 2021 as a delayed impact of COVID, with the LTU rate rising 0.6 pp to 5.0%. This change was reversed in 2022 as the LTU rate fell back to 4.3% (2.3% at the EU level).
- ❖ The registered LTU ratio in Italy, which is based on administrative data and reflects the size of the client base supported by the LTU Recommendation, increased from 7.1% in 2017 to 10.0% in 2021, always around double the EU level. In 2022, the LTU ratio was unchanged in Italy, but dropped to 4.3% in the EU.

LTU flows

Figure 47: Main variables (000s), LTU 25-64, Italy, 2016-2022

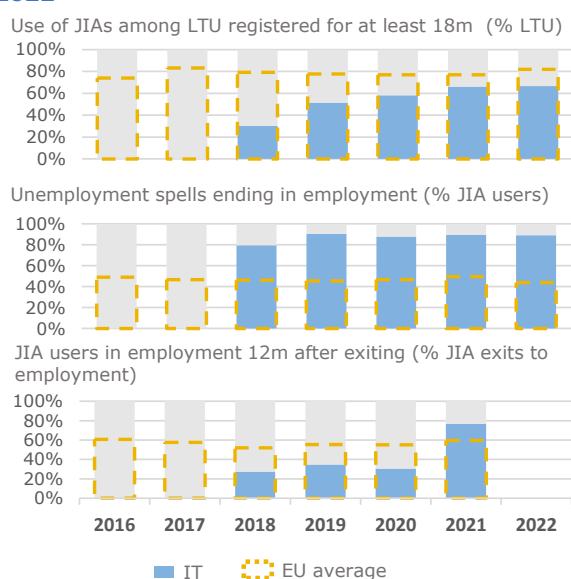


Source: DG EMPL, LTU monitoring database

- ❖ Between 2017 and 2019, the average stock of registered LTU in Italy ranged between 2.3 and 2.5 million. In 2020 as job opportunities became more limited during the pandemic, stocks rose to 2.9 million and then continued to rise in 2021 reaching an average of 3.2 million, the highest seen since monitoring began. This figure reduced only marginally in 2022 (-0.2%).
- ❖ Flows in and out of registered unemployment are small compared to stocks, implying low turnover and significant proportions of LTU remaining unemployed for very long periods. In 2021 and 2022, there was some sign of an improvement as outflows (exits) exceeded inflows (entrants) in both years so that stocks should start to fall.

Key results

Figure 48: Key monitoring results, Italy, 2016-2022



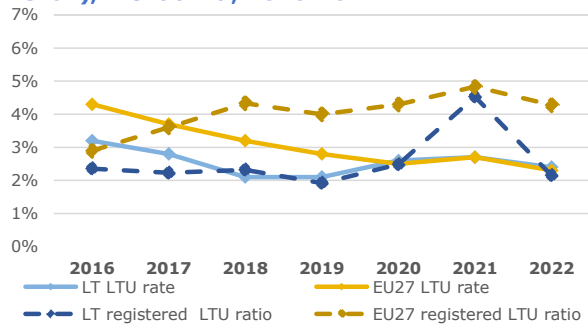
Source: DG EMPL, LTU monitoring database

- ❖ In 2022, two thirds (66.7%) of LTU registered for at least 18 months in Italy had a JIA (i.e. renewed service pact), continuing the steady improvement made since 2017. Nevertheless, coverage remains well below average (81.4%).
- ❖ Almost nine in ten (89.1%) JIA users whose unemployment spell ended in 2022 exited to employment, a similar result to previous years and well above the EU average of 43.6%. This reflects the unique practice in Italy, whereby people remain on the register until they find work lasting at least 180 days or retire. The data are thus not directly comparable with other countries.
- ❖ Three quarters (76.8%) of JIA users that started work in 2021 were still employed 12 months later (not necessarily in the same job), more than double than the previous year (30.7%) and now well above the EU average of 59.5%. The increase compared to previous years seems to be a result of methodological changes.

Lithuania - Executive summary

Context for implementation

Figure 49: Key aggregate indicators (LTU aged 25-64), Lithuania, 2016-2022

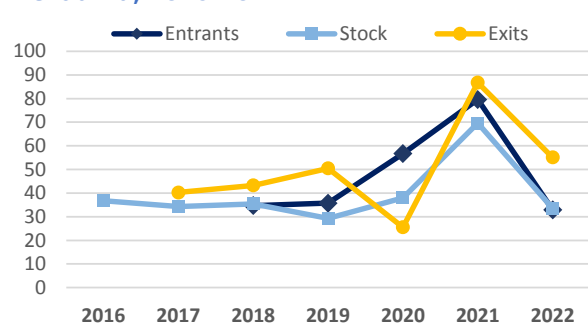


LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU recommendation in 2016 up to 2018, the LTU rate in Lithuania declined from 3.2% to a low of 2.1%, being below the rate at EU level throughout this period. The rate in Lithuania remained unchanged in 2019 but subsequently rose to reach 2.7% in 2021 as a result of the COVID-19 pandemic, bringing it in line with the rate at EU level. Both rates fell 2022 (to 2.4% in Lithuania and 2.3% at EU level).
- ❖ In 2016, the registered LTU ratio in Lithuania (based on administrative data) was already below that seen at the EU level (2.4% vs 2.9%). It then fell and by 2019 was less than half the EU figure (1.9% vs 4.0%). In 2020 and 2021, the LTU ratio in Lithuania increased sharply to reach 4.5%, just below the EU level. This change was reversed in 2022 as the LTU ratio in Lithuania dropped to 2.0% but remained high at EU level (4.3%).

LTU flows

Figure 50: Main variables (000s), LTU 25-64, Lithuania, 2016-2022

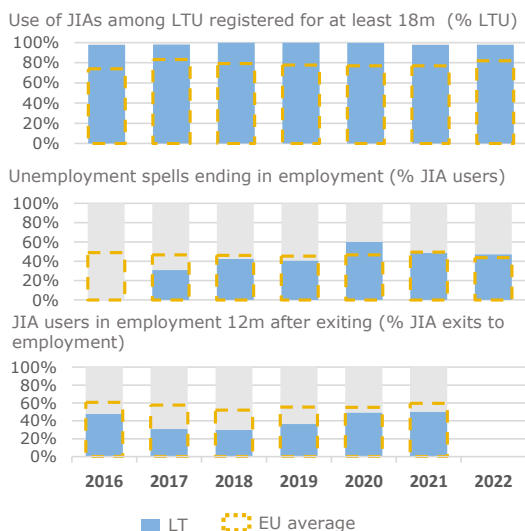


Source: DG EMPL, LTU monitoring database

- ❖ Up to 2019, increasing numbers of LTU leaving the register (exits) resulted in a net outflow and falling stocks (-17.3% between 2018 and 2019).
- ❖ As COVID hit there was a dramatic increase in inflows to registered long-term unemployment in 2020 and 2021 combined with a sharp fall in exits during 2020, which was more than reversed in 2021. The annual average stock of registered LTU rose substantially in both 2020 (+29.8%) and 2021 (+83.3%) to a point 90% higher than in 2016, when LTU monitoring began.
- ❖ In 2022, there was a full recovery with entrants and stocks dropping to pre-pandemic levels.

Key results

Figure 51: Key monitoring results, Lithuania, 2016-2022



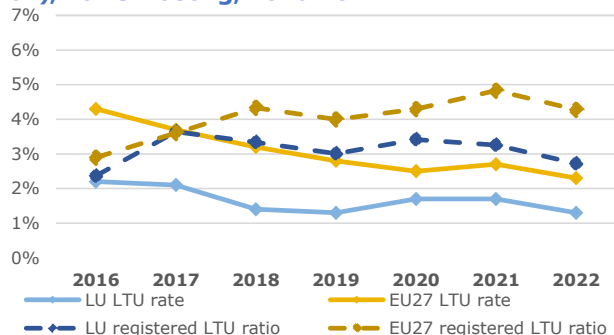
Source: DG EMPL, LTU monitoring database

- ❖ In Lithuania, all unemployed are expected to receive an IAP that is considered to fulfil the requirements of a JIA, consequently nearly all (98.0%) LTU registered for at least 18 months had a JIA, well above the EU average of 81.4%.
- ❖ Just under half (47.3%) of JIA users whose unemployment spell ended in 2022 exited to employment, above the EU average of 43.6%. This is down compared to 2021 (48.9%) and 2020 (59.9%) but up compared to 2017-2019 (31-43%).
- ❖ Follow-up data show that half (50.0%) of JIA users that took up a job in 2021 in Lithuania were known to be in employment 12 months later, below the average of 59.5% at EU level but up compared to previous years.

Luxembourg - Executive summary

Context for implementation

Figure 52: Key aggregate indicators (LTU aged 25-64), Luxembourg, 2016-2022



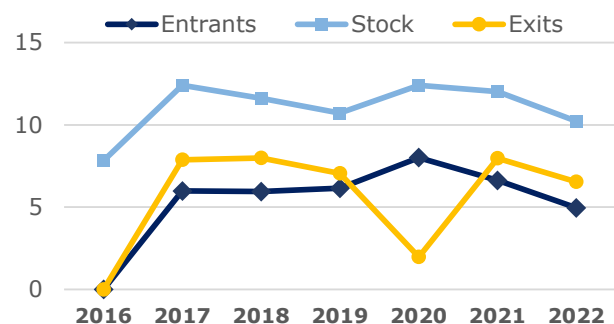
Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

From the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Luxembourg (according to EU-LFS) declined from 2.2% to a low of 1.3%, less than half the rate at EU level (2.8%). The COVID-19 pandemic ended this progressive reduction, with the LTU rate rising in 2020 (+0.4 pp) and remaining unchanged at 1.7% in 2021. In 2022, the pandemic-related increases were reversed so that the LTU rate in Luxembourg returned to 1.3%, well below the rate of 2.3% at EU level.

The registered LTU ratio in Luxembourg (based on administrative data) increased from 2.4% in 2016 to 3.6% in 2017, and then oscillated between 3.0-3.4% between 2018 and 2021. In 2022, the ratio fell back to 2.7%, well below the EU aggregate value of 4.3%.

LTU flows

Figure 53: Main variables (000s), LTU 25-64, Luxembourg, 2016-2022



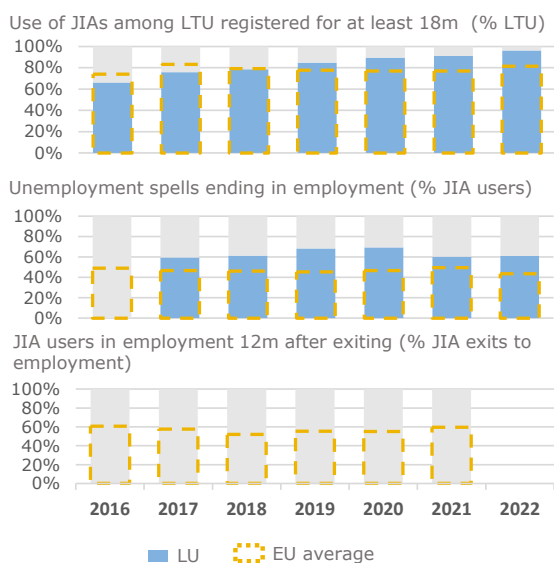
Source: DG EMPL, LTU monitoring database

The comparability of the administrative data for 2016 with later reference years is impacted by differences in coverage. Methodological changes applied for 2021 data onwards resulted in a reduction of slight reduction of flows and stocks (down by $\leq 10\%$).

In 2022, the number of registered unemployed becoming LTU (entrants) declined by 25.2% compared to 2021. The number of LTU ending their unemployment spell (exits) also declined, but to a lesser extent (-17.9%). This resulted in a small net outflow during the year and the stock of registered LTU fell 15.0%, back to pre-pandemic levels.

Key results

Figure 54: Key monitoring results, Luxembourg, 2016-2022



Source: DG EMPL, LTU monitoring database

In 2022, 96.3% of LTU registered for at least 18 months in Luxembourg had a JIA (i.e. a supplementary Action plan), above the EU average of 81.4% and the highest recorded in Luxembourg to date.

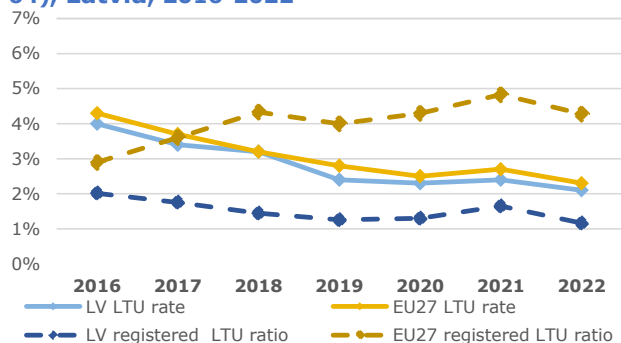
Two fifths (61.2%) of JIA users whose unemployment spell ended in 2022 exited to employment, slightly up compared to 2021 (60.4%) and well above the EU average of 43.6%. Data for previous years show that JIA exits to employment grew gradually from 59.6% in 2017 to 69.5% in 2020, and that the share is above the EU average in all reference years.

Luxembourg is not able to provide follow-up data on the subsequent situation of JIA users starting work.

Latvia - Executive summary

Context for implementation

Figure 55: Key aggregate indicators (LTU aged 25-64), Latvia, 2016-2022



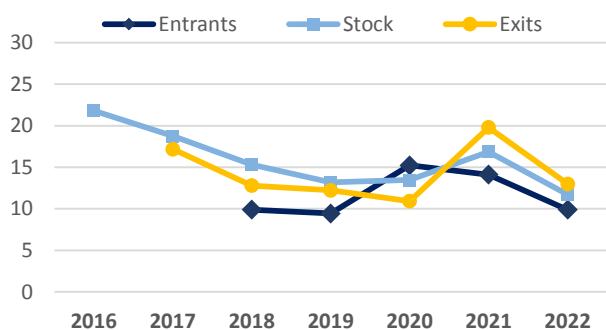
Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat

❖ From the adoption of the LTU recommendation in 2016 up to 2020, the LTU rate (according to EU-LFS) in Latvia declined progressively from 4.0% to 2.3%, just below the rate at EU level (2.5%). This trend ended in 2021 when both rates rose slightly, though these changes were reversed in 2022 leaving the LTU rate at 2.1% in Latvia and 2.3% at EU level.

❖ In 2016, the registered LTU ratio in Latvia (based on administrative data) was lower than that seen at EU level (2.0% vs 2.9%). As the ratio fell steadily in Latvia the gap widened so that by 2020, it was a third of that at EU level (1.3% vs 4.0%). After increases in 2021 the registered LTU ratios both fell back in 2022 to stand at 1.2% in Latvia and 4.3% at EU level.

LTU flows

Figure 56: Main variables (000s), LTU 25-64, Latvia, 2016-2022



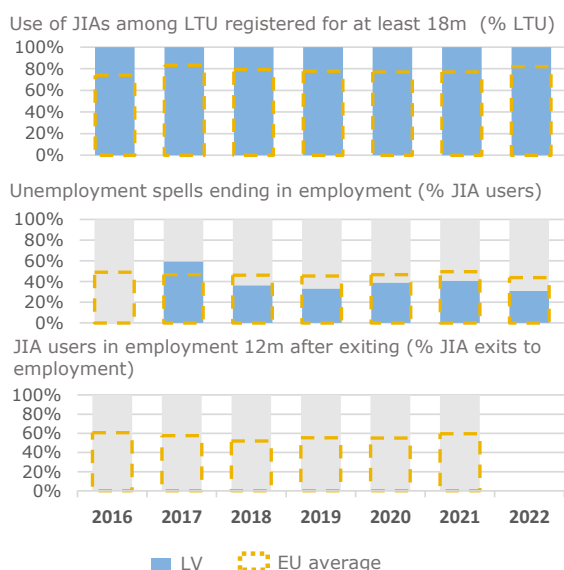
Source: DG EMPL, LTU monitoring database

❖ Between 2016 and 2019 the number of LTU ending their unemployment spell (exits) outweighed the number of registered unemployed becoming LTU (entrants) creating a net outflow and resulting in the monthly average stock falling by 39.5%.

❖ This trend stopped in 2020 when entrants rose considerably (+61.2%) due to COVID-19 while exits declined (-10.7%), creating a net inflow and increase in stocks. In 2021, the situation reversed with exits increasing significantly and entrants declining slightly. The recovery in the labour market can be fully seen in 2022 as stocks and entrants dropped by almost a third (-30.6% and -29.9%) to reach new lows.

Key results

Figure 57: Key monitoring results, Latvia, 2016-2022



Source: DG EMPL, LTU monitoring database

❖ In Latvia, all unemployed receive an IAP that is considered to fulfil the requirements of a JIA, consequently 100% of people becoming LTU already have a JIA.

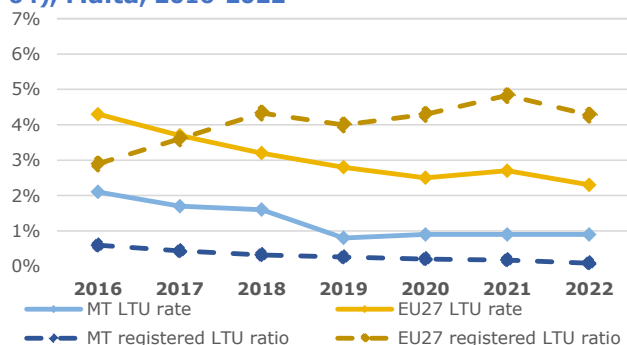
❖ Three in ten (31.0%) registered LTU that ended their unemployment spell during 2022 (all of whom had a JIA) moved into work, a decline compared to 2020 (40.8%) and previous years (ranging between 33-39% between 2018 and 2020 - data for 2017 are not comparable) and well below the EU average of 43.6%. This figure is known, to be understated because a significant number of LTU start work without informing the PES.

❖ Latvia has not yet been able to provide data for the follow-up of JIA users taking up employment as such data are not being collected at national level.

Malta - Executive summary

Context for implementation

Figure 58: Key aggregate indicators (LTU aged 25-64), Malta, 2016-2022

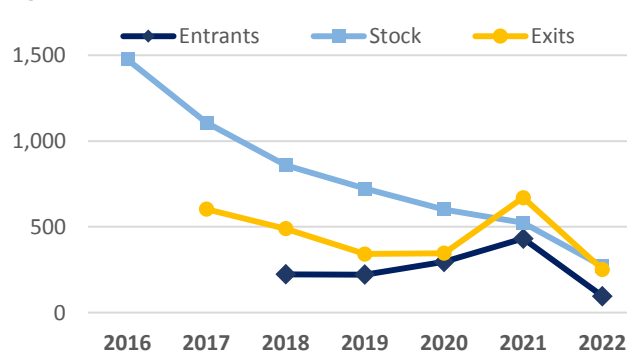


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU recommendation in 2016 to 2019, the LTU rate in Malta fell from 2.1% to a low of just 0.8%. Subsequently, the rate has stagnated at 0.9%, one of the lowest rates in the EU and just a third of the rate for the EU as a whole (2.3%).
- ❖ In 2016, the registered LTU ratio in Malta (based on administrative data) was only 0.6%, a fifth of the ratio seen at EU level (2.9%). Over the years covered by the LTU monitoring process, the already low ratio in Malta has been falling progressively, whilst at the EU level there has been an overall increase. In 2022, the LTU ratio in Malta was just 0.1% but 4.3% at the EU level.

LTU flows

Figure 59: Main variables, LTU 25-64, Malta, 2016-2022

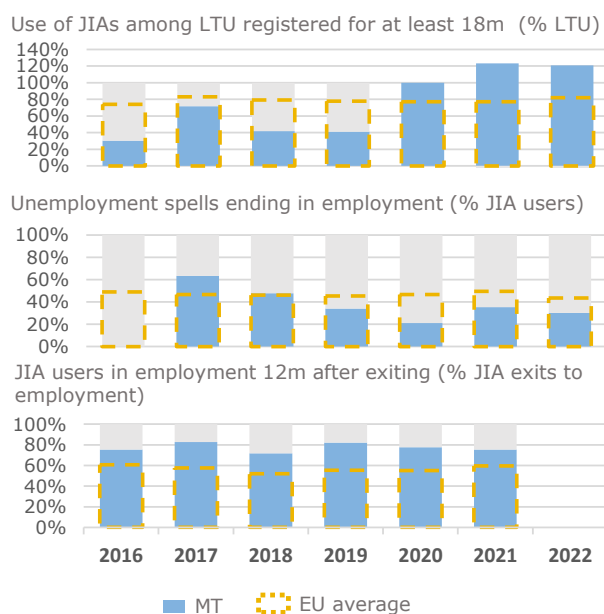


Source: DG EMPL, LTU monitoring database

- ❖ Between 2018 and 2021, the number of people becoming LTU (entrants) in Malta increased overall by 92.9%, whilst the number of LTU leaving the register (exits) decreased between 2017 and 2020 but then increased in 2021.
- ❖ In 2022, both entrants and exits reduced significantly (-77.8% and -62.4% respectively), part of this decline is due to changes in the age coverage.
- ❖ In all years, there was an important net outflow and consequently the average monthly stock figures have been consistently decreasing from 1,5 thousand to less than 300.

Key results

Figure 60: Key monitoring results, Malta, 2016-2022



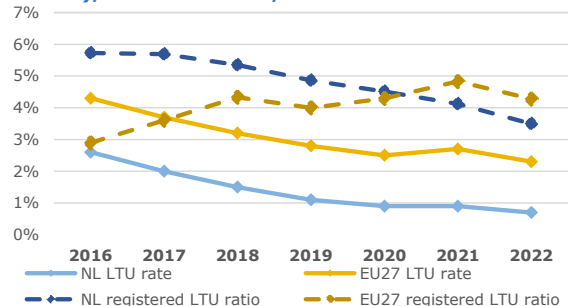
Source: DG EMPL, LTU monitoring database

- ❖ Data for JIA users up to 2019 cover those benefitting from the Work Programme Initiative (restricted to LTU furthest from the labour market). Data for 2020 cover LTU with a Personal Action Plan (PAP, provided to all unemployed), while data as of 2021 cover LTU with an Intensified Action Plan (LTU PAP, provided between 12 and 18 months of registration). Comparisons across years are therefore not meaningful.
- ❖ Due to methodological reasons it appears that more than 100% of those registered for at least 18 months in Malta had a JIA in 2021 and 2022.
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment was 30.3% in 2022, which is below the EU average (43.6%).
- ❖ Three quarters (75.3%) of JIA users who took up employment in 2021 were in employment 12 months later, significantly above the EU average of 59.5%.

The Netherlands - Executive summary

Context for implementation

Figure 61: Key aggregate indicators (LTU aged 25-64), Netherlands, 2016-2022

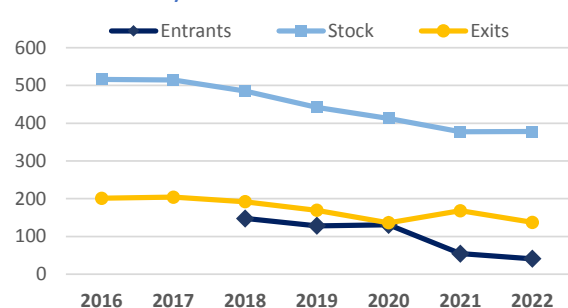


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU recommendation in 2016 to 2020, the LTU rate in the Netherlands declined progressively from 2.6% to a low of 0.9%, less than half the rate at EU level (2.5%). This downward trend halted in 2021 as the LTU rate remained unchanged compared to the previous year. In 2022, the LTU rate fell again to 0.7% (2.3% at the EU level).
- ❖ In 2016, the registered LTU ratio in the Netherlands (based on administrative data) was nearly twice the ratio seen at the EU level (5.9% vs 2.7%). Between 2016 and 2022, the ratio in the Netherlands declined consistently to 3.5%, whilst the ratio in the EU increased to 4.8% in 2021 before falling back to 4.3% in 2022.

LTU flows

Figure 62: Main variables (000s), LTU 25-64, Netherlands, 2016-2022

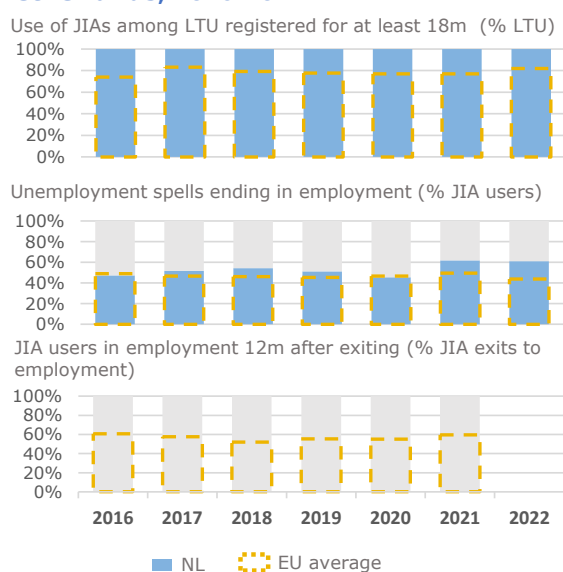


Source: DG EMPL, LTU monitoring database

- ❖ The Dutch data measuring flows in and out of long-term unemployment are not consistent with stock data so cannot be used to explain changes. Further, although the number of registered unemployed becoming LTU (entrants) in 2021 appears to have reduced significantly to reach the lowest level on record, the data are not consistent with previous years. There are also minor methodological issues for the data on the numbers of LTU ending their unemployment spell (exits).
- ❖ The average stock of registered LTU (long-term benefit recipients) has declined progressively from over half a million in 2016 to 378 thousand in 2021, with improvements continuing in both 2020 and 2021 despite the COVID-19 pandemic. In 2022, there was no change.

Key results

Figure 63: Key monitoring results, Netherlands, 2016-2022



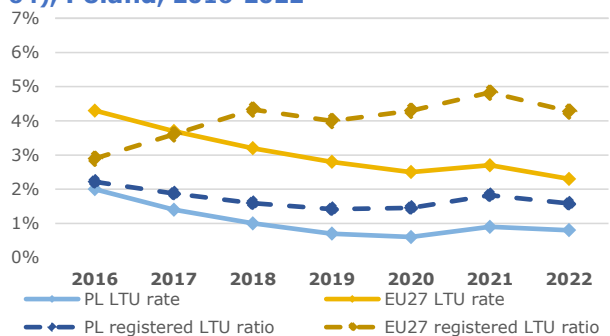
Source: DG EMPL, LTU monitoring database

- ❖ All unemployment (WW) and social assistance (Participatiewet) benefit claimants receive an individual action plan before becoming LTU. By default, therefore, all LTU already have a JIA at the time that they reach 12 months unemployment.
- ❖ Three in five (61.1%) JIA users whose unemployment spell ended in 2022 exited to employment, above the EU average of 43.6%, and similar to 2021 (61.8%).
- ❖ The Netherlands have not provided any follow-up data.

Poland - Executive summary

Context for implementation

Figure 64: Key aggregate indicators (LTU aged 25-64), Poland, 2016-2022

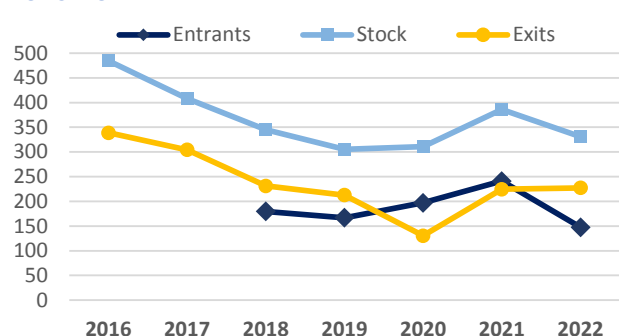


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ Between 2016 and 2020, the LTU rate in Poland (according to EU-LFS) declined from 2.0% to a low of 0.6%, less than a quarter of the rate at EU level (2.5%) and the second lowest rate seen amongst Member States. This progressive reduction ended in 2021, with the LTU rate rising to 0.9%. In 2022 it then dropped to 0.8%, still well below the EU level rate of 2.3%.
- ❖ In 2016, the registered LTU ratio (based on administrative data), which describes the relative size of the population supported by the LTU Recommendation, was 2.2% in Poland compared to 2.9% at EU level. Subsequently, the LTU ratio in Poland reduced to 1.6% whilst the EU level ratio increased to 4.3%.

LTU flows

Figure 65: Main variables (000s), LTU 25-64, Poland, 2016-2022

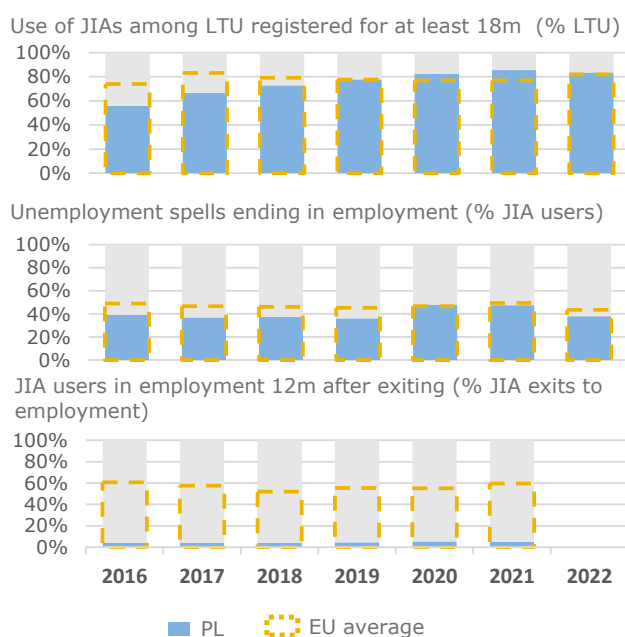


Source: DG EMPL, LTU monitoring database

- ❖ In 2022, the number of registered unemployed becoming LTU (entrants) in Poland dropped by 38.9% compared to 2021. At the same time, the number of LTU ending their unemployment spell (exits) rose slightly (+1.3%).
- ❖ This brought an end to the net inflow to long-term unemployment that occurred during the pandemic, starting in 2020. As a result, the average stock of registered LTU decreased noticeably in 2022 (-14.3%) but remained above the levels seen in 2019 and 2020.

Key results

Figure 66: Key monitoring results, Poland, 2016-2022



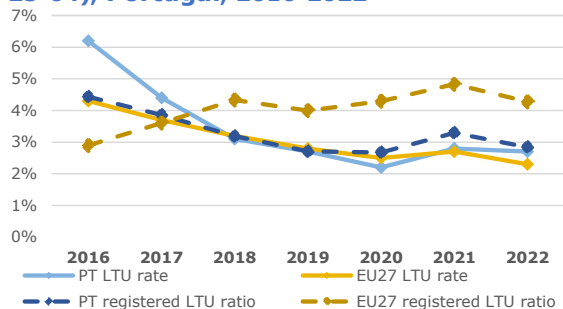
Source: DG EMPL, LTU monitoring database

- ❖ On average during 2022, more than four in five (83.4%) LTU registered for at least 18 months in Poland had an active JIA. The level of JIA coverage is slightly above the EU average of 81.4%.
- ❖ Less than two fifths (37.9%) of JIA users whose unemployment spell ended in 2022 exited to employment, fewer than in 2021 (47.6%) and 2020 (48.2%) but similar to 2016-2019 (36-39%). The EU average for 2022 was 43.6%.
- ❖ Follow-up data show that only 5.0% of JIA users that took up a job in 2021 were known to be in employment 12 months later. However, this result is not meaningful as the subsequent situation is unknown for 88.6% of cases.

Portugal - Executive summary

Context for implementation

Figure 67: Key aggregate indicators (LTU aged 25-64), Portugal, 2016-2022

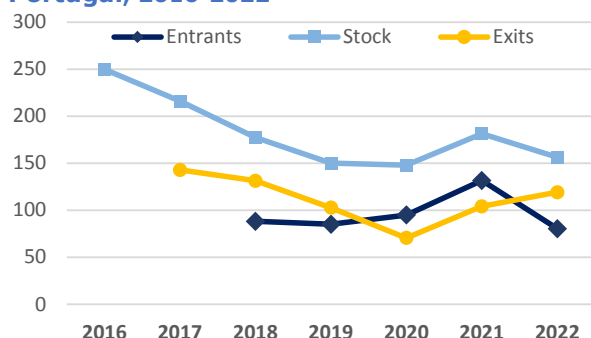


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ When the LTU Recommendation was introduced in 2016, the LTU rate in Portugal was 6.2% (according to EU-LFS), one of the highest seen in the EU. Subsequently, the LTU rate improved dramatically to reach 2.2% by 2020, moving below the rate at EU level (2.5%). This trend was halted in 2021 as the LTU rate in Portugal rose to 2.8%. It fell back slightly in 2022 but at 2.7% is still back above the EU level rate of 2.3%.
- ❖ The registered LTU ratio, which measures the relative size of the population supported by the LTU Recommendation (based on administrative data), dropped from 4.4% in Portugal in 2016 to 2.7% in 2019 and 2020 but then rose to 3.3% in 2021. The ratio fell back to 2.8% in 2022 and remains well below the EU level of 4.3%.

LTU flows

Figure 68: Main variables (000s), LTU 25-64, Portugal, 2016-2022

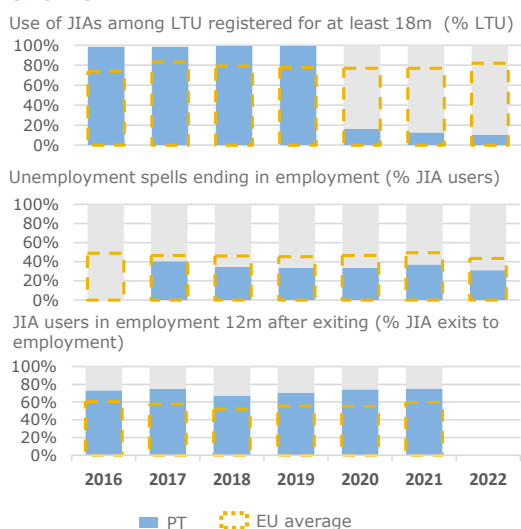


Source: DG EMPL, LTU monitoring database

- ❖ After a small fall in 2019, the number of registered unemployed becoming LTU (entrants) increased both in 2020 and 2021 to reach 131 thousand, though this reduced to 80 thousand in 2022 as labour market conditions eased. The number of LTU ending their unemployment spell (exits) fell steadily each year up to 2020 but this trend reversed in 2021 and 2022 as improved labour market conditions allowed more of the increased number of LTU to leave the register.
- ❖ The average stock of registered LTU decreased progressively up to 2021 when there was a sharp increase of 22.7% to 180 thousand, but this increase was mostly reversed in 2022 (-13.8% to 155 thousand).

Key results

Figure 69: Key monitoring results, Portugal, 2016-2022



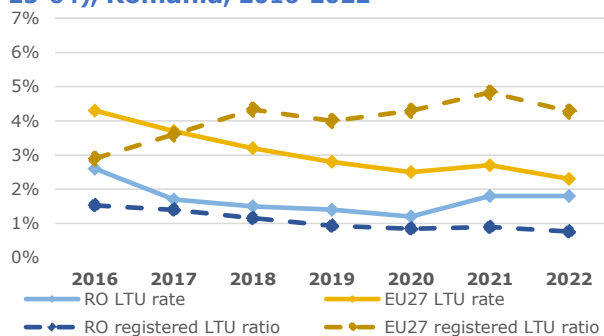
Source: DG EMPL, LTU monitoring database

- ❖ Data on JIA users in 2020-2022 refer to LTU with a JIA and are not comparable with data for previous years, which referred to LTU with an IAP (provided to all registered unemployed).
- ❖ In 2022, just one in ten LTU registered for at least 18 months (10.5%) had an active JIA, less than in previous years (16.2% in 2020 and 12.6% in 2021) and well below the EU average of 81.4%.
- ❖ Just under third (31.1%) of JIA users whose unemployment spell ended in 2022 exited to employment, down compared to 2021 (37.1%) and some way below the EU average of 43.6%.
- ❖ For those that do find employment, however, follow-up of JIA users that started work in 2021 suggest that positive outcomes are sustainable with 75.0% in employment 12 months later, well above the EU average of 59.5%.

Romania - Executive summary

Context for implementation

Figure 70: Key aggregate indicators (LTU aged 25-64), Romania, 2016-2022

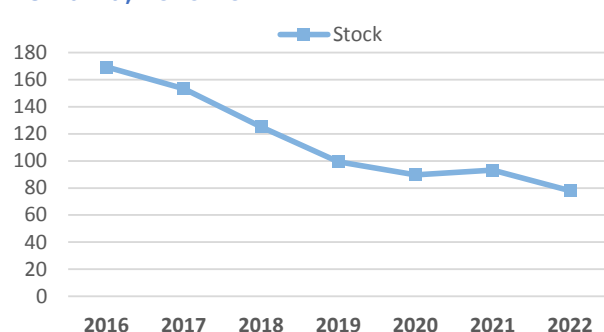


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, the LTU rate in Romania fell from 2.6% in 2016 to reach 1.2% in 2020. This trend was ended by a small increase (+0.6 pp to 1.8%) in 2021 which persisted in 2022. The LTU rate in Romania has been below the EU level rate (2.3% in 2022) throughout the monitoring period.
- ❖ In 2016, the registered LTU ratio (based on administrative data), which measures the relative size of the population supported by the LTU Recommendation, was 1.5% in Romania, half the level in the EU as a whole (2.9%). Whilst the LTU ratio in the EU has subsequently increased overall, the LTU ratio in Romania has consistently declined to reach just 0.8% in 2022 compared to 4.3% at EU level.

LTU flows

Figure 71: Main variables (000s), LTU 25-64, Romania, 2016-2022

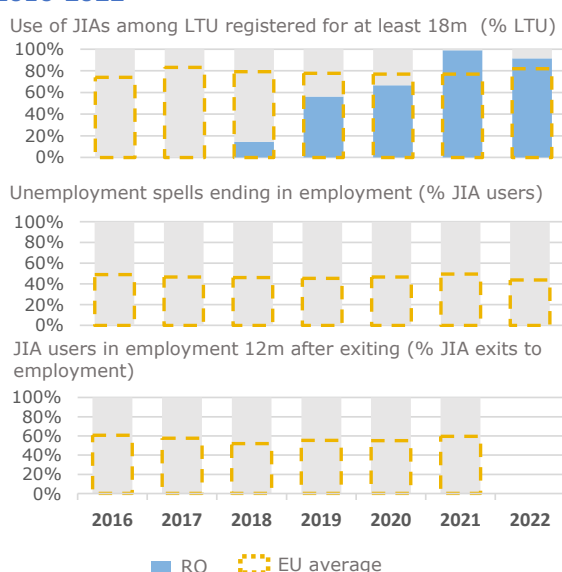


Source: DG EMPL, LTU monitoring database

- ❖ Flow data on the number of registered unemployed becoming LTU (entrants) and the number of LTU ending their unemployment spell (exits) have not been provided for Romania so it is not possible to comment on trends.
- ❖ The administrative data show a progressive decline in the average stock of registered LTU in Romania from 169 thousand in 2016 to 90 thousand in 2020, a fall of 47%. Whilst the pandemic largely halted this improvement, the situation did not significantly worsen, with the number of registered LTU rising just 3.9% to 93 thousand in 2021. In 2022, following a decrease of 16.2%, the average stock reached a new low of 78 thousand.

Key results

Figure 72: Key monitoring results, Romania, 2016-2022



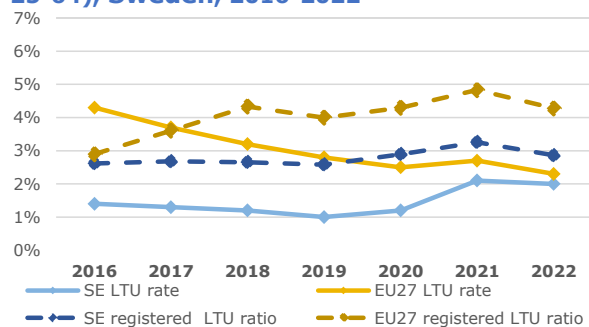
Source: DG EMPL, LTU monitoring database

- ❖ The share of LTU registered for at least 18 months who had a JIA in Romania has increased from just 14.5% in 2018 to 99.0% in 2021 and 91.4% in 2022. This reflects the progressive roll-out of the JIA process since its introduction in August 2018
- ❖ Further data on LTU (with or without a JIA) in Romania remain limited and other key indicators for monitoring the implementation of the Recommendation and the sustainability of outcomes cannot be calculated.

Sweden - Executive summary

Context for implementation

Figure 73: Key aggregate indicators (LTU aged 25-64), Sweden, 2016-2022

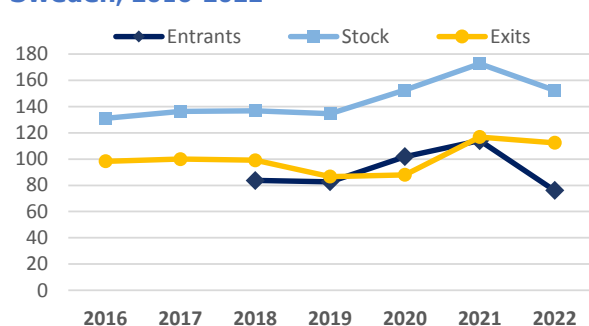


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, the LTU rate in Sweden fell from the already low level of 1.4% in 2016 to just 1.0% in 2019. In 2021 the rate rose to 2.1%, the highest seen in Sweden since monitoring began, but still below the rate at EU level (2.7%). In 2022, it dropped slightly to 2.0%.
- ❖ The registered LTU ratio (based on administrative data), which measures the relative size of the population supported by the LTU Recommendation, remained relatively stable in Sweden between 2016-2019 (2.6% to 2.7%) but increased in 2020 and 2021 to 2.9% and 3.3% respectively. In 2022, it dropped back to 2.9%, still well below the EU figure of 4.3%.

LTU flows

Figure 74: Main variables (000s), LTU 25-64, Sweden, 2016-2022



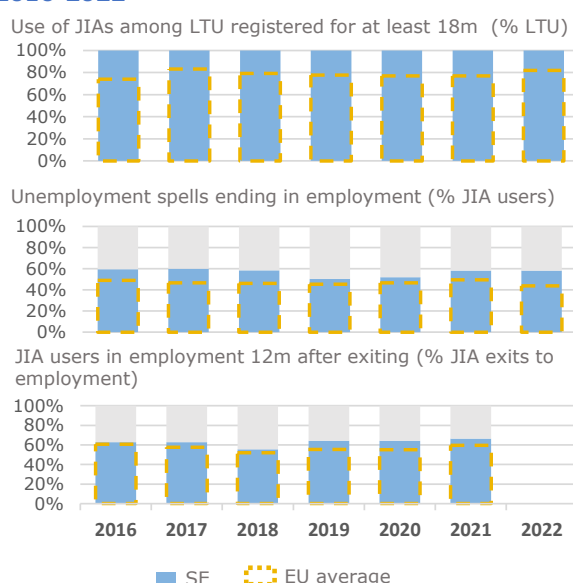
Source: DG EMPL, LTU monitoring database

The number of people becoming registered LTU in Sweden (entrants) increased from around 83 thousand per year in 2018-2019 to 114 thousand in 2021 (c.+36% since 2018) but dropped to just 76 thousand in 2022. At the same time, the number of LTU ending their unemployment spell (exits), dropped from 100 thousand in 2017 to about 87 thousand in 2019 and 2020. In 2021, exits increased to 116 thousand so that there was a small net outflow during the year which continued in 2022.

- ❖ Stocks fluctuated only slightly between 2016 and 2019 but increased substantially in 2020 and 2021 (+28.2% compared to 2019) despite the net outflow in 2021. In 2022, they decreased by 11.8%.

Key results

Figure 75: Key monitoring results, Sweden, 2016-2022



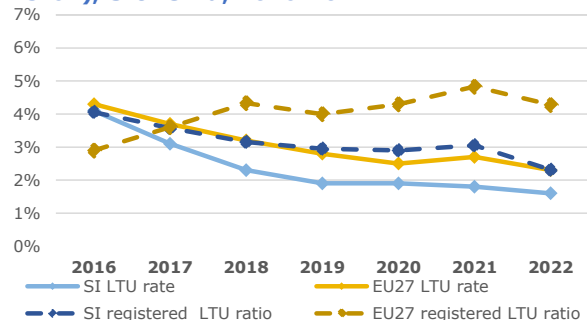
Source: DG EMPL, LTU monitoring database

- ❖ All registered unemployed in Sweden receive an individual action plan (IAP) which is considered (at national level) to fulfil the requirements of a JIA. By default, therefore, all LTU already have a JIA at the time they reach 18 months unemployment, so coverage is always 100%.
- ❖ Although the share of JIA users whose unemployment spell ended with an exit to employment declined between 2017 and 2019 (from 60.2% to 50.4%), in 2021 and 2022 it increased back to 58.3% and 58.2% respectively. In all years the share of employment outcomes in Sweden was above the EU average.
- ❖ Follow-up data on JIA users suggest that positive outcomes are reasonably sustainable over time. Excluding 2018 when 55.5% of those that exited the JIA to employment were still employed 12 months afterwards, in all other reference years the share was just under two thirds (62.8-66.4%) and above the EU average.

Slovenia - Executive summary

Context for implementation

Figure 76: Key aggregate indicators (LTU aged 25-64), Slovenia, 2016-2022

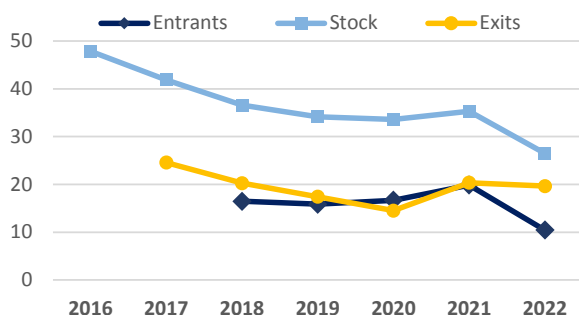


Source: LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat

- ❖ From the adoption of the LTU recommendation in 2016 up to 2019, the LTU rate in Slovenia (according to EU-LFS) declined progressively each year from 4.1% to a low of 1.9%, two thirds of the rate at EU level (2.8%). The COVID-19 pandemic briefly paused this trend, with the LTU rate remaining unchanged in 2020 but then falling again to 1.8% in 2021 and to 1.6% in 2022.
- ❖ The registered LTU ratio, which measures the relative size of the population supported by the LTU Recommendation (according to administrative data), dropped in Slovakia from 4.1% in 2016 to 2.9% in 2019. There was a small increase in 2021 to 3.1% but the ratio then fell back to 2.3% in 2022, well below the ratio seen at EU level (4.3%).

LTU flows

Figure 77: Main variables (000s), LTU 25-64, Slovenia, 2016-2022

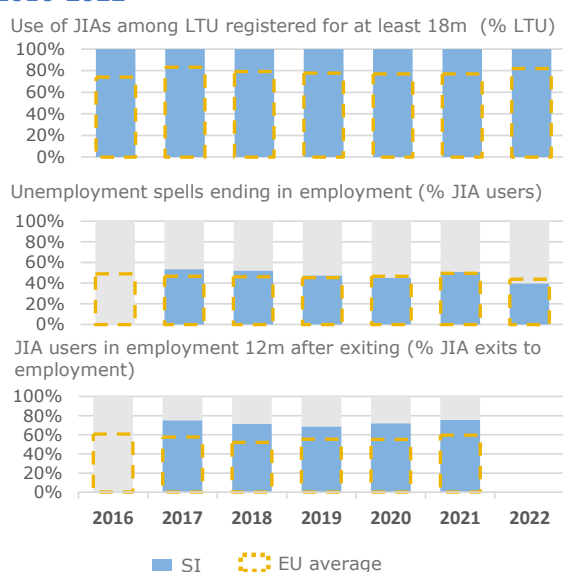


Source: DG EMPL, LTU monitoring database

- ❖ Between 2016 and 2019, the number of registered unemployed becoming LTU (i.e. entrants), the number of LTU ending their unemployment spell (i.e. exits) and the average stock of LTU in Slovenia declined progressively.
- ❖ In 2020, due to the pandemic, entrants rose while exits continued to decline. Despite the small net inflow, the average stock of LTU over the year declined slightly. In 2021, both entrants and exits increased though the latter at double the rate bringing them to similar levels. Stocks also increased, but only slightly. In 2022, there was a full recovery with entrants and stocks reaching new lows.

Key results

Figure 78: Key monitoring results, Slovenia, 2016-2022



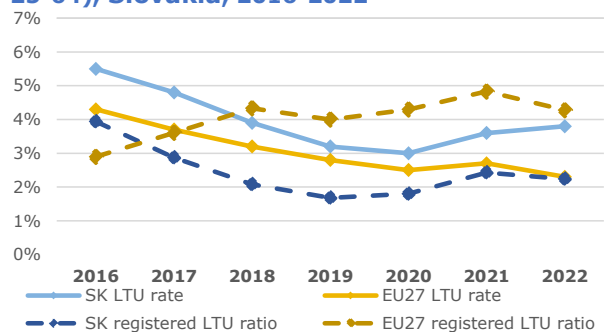
Source: DG EMPL, LTU monitoring database

- ❖ In Slovenia, all unemployed receive an IAP that is deemed to fulfil the requirements of a JIA. Consequently 100% of people becoming LTU already have a JIA.
- ❖ Two fifths (39.8%) of JIA users whose unemployment spell ended in 2022 exited to employment, below the EU average of 43.6%. This is the lowest result seen since 2017 but is potentially impacted by the increased number of those with an exit to an unknown situation.
- ❖ Follow-up data show that more than seven in ten (75.3%) of JIA users who took up employment in 2021 were in employment 12 months later, significantly above the EU average of 59.5%. Longer-term outcomes for LTU in Slovenia have been remarkably consistent since monitoring began (low 68.7%, high 75.3%).

Slovakia - Executive summary

Context for implementation

Figure 79: Key aggregate indicators (LTU aged 25-64), Slovakia, 2016-2022

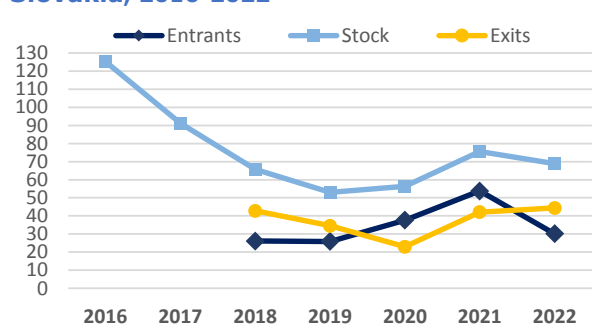


LTU-rate - Eurostat, Labour Force Survey (EU-LFS), registered LTU ratio - DG EMPL, LTU monitoring database and Eurostat, UNIDEMO

- ❖ According to the EU-LFS data, from the adoption of the LTU recommendation in 2016 up to 2020, the LTU rate in Slovakia fell from 5.5% to 3.0%. This improvement was halted in 2021 when the rate went back up to 3.6%, and it increased further in 2022 to 3.8%. Throughout, the LTU rate in Slovakia has remained above the EU level (2.3% in 2022).
- ❖ The registered LTU ratio (based on administrative data), measures the relative size of the population supported by the LTU Recommendation, dropped from 3.9% in Slovakia in 2016 to 1.8% in 2020, well below the rate seen at the EU level (4.3%). The ratio increased to 2.4% in 2021 but fell back to 2.2% in 2022 compared to 4.3% at EU level.

LTU flows

Figure 80: Main variables (000s), LTU 25-64, Slovakia, 2016-2022

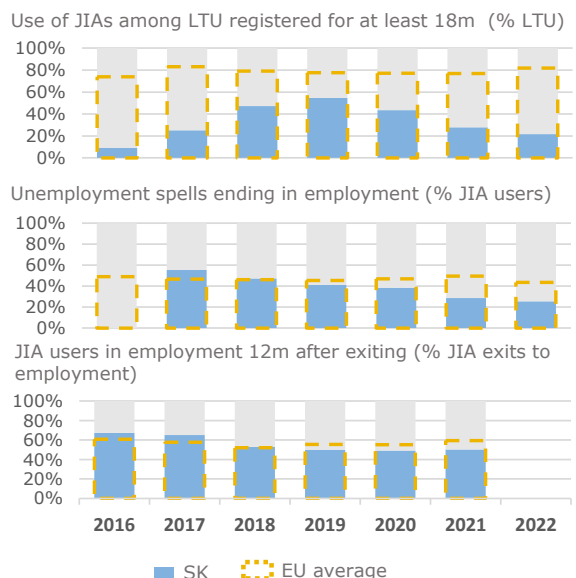


Source: DG EMPL, LTU monitoring database

- ❖ Between 2016-2019 the average stock of registered LTU in Slovakia fell from 125 to 53 thousand (-58%). This trend was interrupted due to COVID-19 in 2020 as flows into long-term unemployment (entrants) rose while outflows (exits) continued to decline. This resulted in a net inflow and an increase in the average stock of registered LTU. Although outflows increased substantially in 2021, there was still a significant net inflow so that stocks increased further (+34%). In 2022, entrants dropped, while exits continued to rise creating a net outflow. Stocks dropped (-8.8%) but remained above pre-pandemic levels.

Key results

Figure 81: Key monitoring results, Slovakia, 2016-2022



Source: DG EMPL, LTU monitoring database

- ❖ Data on the proportion of LTU with a job integration agreement (JIA) in Slovakia have different coverage across years reflecting the roll-out of the JIA launched in 2017, which replaced (for LTU only) the individual action plan (IAP) provided to all unemployed. Data up to 2017 cover both IAPs and JIAs while data from 2018 cover only JIAs.
- ❖ By 2019, more than half of LTU registered for 18 months had a JIA (54.6%). In 2020, that share fell to 43.4% as the ZAZ project was available in only three regions and the pandemic created delivery issues. These continued into 2021 and 2022 so that only 27.8% and 21.7% of LTU registered for at least 18 months had a JIA.
- ❖ The share of JIA users whose unemployment spell ended with an exit to employment, has dropped each year from 47.3% in 2018 to 25.4% in 2022.
- ❖ Half of JIA users (50.2%) who took up employment in 2021 were in employment 12 months later. This share has remained fairly constant over the past four years.