

CONTROL STUDY

# Position Of the NEET Youth

## Montenegro



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# Introduction

NEET youth is not an unknown term in Montenegro anymore. The goals that Montenegro has in order to decrease the NEET youth are high, well-planned, and coordinated. From a positive perspective, we are witnessing that Montenegrin authorities, both governmental as well as non-governmental are trying to contribute to the general understanding of this group of people that are related to young people not in education, employment, or training. NEET youth still does not have sufficient attention and therefore should be especially followed.

A negative aspect of general awareness of this term is that it's a fact that NEET youth is still making a non-acceptable and significant part of our society, and therefore more attention should be paid.

What we have understood from previous periods, and especially after COVID is that work is a luxury and privilege when the world is facing a crisis, economic or health as the more recent. And on the other side is raised awareness that society has no future if we have a big percentage of people who are not in education or employment. Therefore, societies have to be protagonists in creating conditions for work and education, and also take the lead and responsibility of motivation and preparation of young people for work and education.

Early intervention, cohesion of all parts of society, and focus on vulnerable groups are essential for each individual and society overall. The social reality of Montenegro is more challenging than in other EU countries, but as a country that strives for European integration, should focus more on concrete activities rather than just the transposition of the EU acquis.

This controlled study will show the position of NEET youth compared to 2021, assessing relevant institutional and legislative frameworks, as well as statistical data based on which we follow the progress in the field.

Montenegro has a goal to have 15% of NEET youth by 2025, defined by the National Strategy of Employment for 2021-2025. Another important data is that three-quarters of NEET would like to work in state institutions and the largest part of NEET are women.

# 1. Policy Level

When we speak about youth policy first we need to know who are those who decide about youth, and who is contributing by being active part of youth. In Montenegro, we have a wide scope of institutions governmental and non-governmental, who are interested in fostering youth policies and are working on making them a progressive part of society. We have a strong national response, but responsibilities go even further on a local level which has a strong impact on youth wellbeing. An important part of youth policies is driven by international and non-governmental organizations.

Youth policies should consider young people as a resource, as the future of local areas, regions, and countries. This means that youth policies should tend to fit or be compatible with other national policies in the areas of civil participation, volunteerism, education, health, poverty reduction and structural inequalities, social protection, rule of law, human rights, democratization, labor market, demography, sport, culture, regional and local development, sustainable development and others. That is the reason why youth policy is something that should be part of each policy and considered as a main resource of the country in progress.

## 1.1. Legislative framework in Montenegro

### 1.1.1 Basic Legal Framework

The legislative framework that regulates the field of interest for youth is very wide because youth is a category that is specific and relevant for different fields of society. The existence of a special Law on youth which regulates youth and its well-being as part of public interest, shows that Montenegro is on the right track.

Nevertheless, the most important Law for youth policies is the **Law on youth** ("Official Gazette of Montenegro", no. 025/19 of 04/30/2019, 027/19 of 05/17/2019) which regulates the method of determining and implementing youth policy, as well as the measures and activities that are undertaken with the aim of improving the social position of young people and creating conditions for realizing the needs of young people in all areas of interest to young people. This Law is one of those that got a positive opinion from the European Commission and represents a clear dedication of Montenegro to harmonize its legal framework with European ones. Due to national needs and further alignment during 2022 Montenegro initiated Amendments and Changes of the Law, and a working group was formed, and it is expected that the Law on Amendments and Changes is adopted during 2024.

In Montenegro, the approach to youth policy was legally defined for the first time with the adoption of the Law on Youth in 2016. During 2019, this Law was expanded with amendments and changes, which had the greatest impact on the establishment of youth services by the state and other actors, the recognition of a representative youth council at the national level, as well as the creation of accompanying strategic solutions at the local level for a coordinated approach to the implementation of youth policy at the national and local level. Still, when it comes to the NEET population and vulnerable categories of young people in general, they are not specifically treated within the scope of this law. However, it should be emphasized that the entire Act is aimed at general measures to support young people, which can contribute to a better position of young

people in different areas of life, and thus to society as a whole. Having in mind previously mentioned, it could be a good solution if the Law on youth can prescribe preventive measures more specifically in order to have fewer NEET youth in Montenegro, even if the Law abounds in motivational measures for youth.

The Youth Law provides a legal basis for the creation of Local Action Plans for young people, as the main instruments for the implementation of youth policy at the local level. These plans are aligned with the National Youth Strategy and the National Action Plan. In addition, the LAPM includes the findings of research on the needs of young people at the local level, proposals of the working group, and suggestions from public discussions. The same as the national Action Plan and LAPMs are adopted for a period of two years, while reports on implementation are submitted to the line ministry on an annual basis. The last LAPMs were related to the period 2020-2021. In the report from January 2021, 24 municipalities adopted the LAPM, and were in the process of their implementation.

Municipalities also pass local regulations regulating the establishment of bodies relating to youth. Local regulations are based on national laws that regulate the work of local self-governments and laws related to young people. For example, the Capital City of Podgorica, based on its Statute, the Law on Local Self-Government and the Law on Youth, adopted the Decision on the Education of the Youth Council of the Capital City, which defines the rights and duties of the council, the structure (number, composition, conditions, and method of electing members) and how advice works.

The institutional framework at the local level includes local departmental secretariats, local youth councils, youth services, educational and health services institutions, centers for social protection and daycare centers, local services Employment offices, cultural and sports centers, as well as numerous NGOs.

### 1.1.2. Strategic Framework

The strategic framework at the national level is defined by the National Strategy for Youth. In the period of the last three decades, 3 Strategies were created:

- *National strategies for youth: National Action Plan for Youth 2006 - 2011 (NPAM)*
- *Youth Strategy 2017 - 2021.*
- *Youth Strategy 2023 - 2027*

Strategies are followed with an action plan for implementation, with general measures and sub-measures and the Framework for monitoring and evaluating the implementation of the Strategy.

Current **Youth Strategy 2023 - 2027** is prepared based on the following principles:

- **Based on rights** - this Strategy recognizes human rights and the rights of young people as a starting point for measures and activities.
- **Youth as a resource** - seeing young people as active agents of positive changes in society, which should be supported, and not as a problem to be solved.

- **Based on knowledge and evidence** - through the creation of a knowledge base on young people, which mapped the needs of young people, and included the results of available research and statistics, as well as data on practices in the sector.
- **Holistic** - recognizes interdepartmental and intersectoral cooperation as a prerequisite for creating a stimulating environment for young people, in which they can develop their knowledge, skills, and values.
- **Inclusive** – This strategy sees young people as a population category within which there are different groups of young people, who through the coordinated efforts of institutions achieve equal access and opportunities to equally enjoy their rights and realize their aspirations.
- **Participatory** - through various elements of the development of this Strategy, young people, who are also the end users and the target group of this Strategy, were involved in its development.
- **Organized response to the needs of young people** – This strategy emphasizes the importance of vertical and horizontal cooperation, at all levels, with the aim of creating a system that will support young people to realize their potential.
- **Concrete** - policy that foresees clear measures, activities, competencies, monitoring and evaluation mechanisms, budget, and responsibility for implementation.

The main goals of the current Strategy are:

- 1. Development of a sustainable system of services to support young people in the process of their transition to adulthood;**
- 2. Creating conditions for young people to be active citizens, involved in the creation and implementation of public policies;**
- 3. Improving the position of young people, through an interdepartmental approach;**
- 4. Improvement of the normative-institutional framework for the implementation of youth policy.**

The current Strategy was prepared for 2 years and therefore we had a gap of 2 years without having a Youth Strategy but the current one gave the strongest approach till now, with a clear operational plan and way forward. It has preventive, as well as development measures which can improve the position of youth especially those considered as NEET. The planned budget for the implementation of the Strategy on youth is 2,563,000.00 EUR (state budget and donations).

The mechanism for monitoring and reporting on the implementation of the Youth Strategy 2023-2027 is primarily based on the work of the Operational Body for monitoring the implementation of the strategic document and the Coordination Body for Youth Policies at the level of the Government of Montenegro, which represents strong monitoring mechanism.

### 1.1.3. Sectorial legal and strategic framework

Strategic and legislative framework, at the national level, which refers to young people is also defined by the following documents:

- *Law on NGOs (2017)*
- *Law on Social and Child Protection (2017)*
- *Law on Health Care (2021)*
- *Labor Law (2021)*
- *Law on Education and Upbringing: Adult Education (2011),*
- *Law on Gymnasium (2021), Law on Vocational Education (2010),*
- *General Law on Education and Training (2017), Law on Professional Training of Persons who have obtained higher education (2012)*
- *Law on the treatment of minors in criminal proceedings (2018)*
- *Sports Law (2021)*
- *Law on Culture (2020)*
- *Law on Prohibition of Discrimination (2017)*
- *Laws on media: Law on Media(2020), Law on Public Radio (2020)*
- *Television of Montenegro, Law on Electronic Media (2020)*
- *National strategy for employment and development of human resources (2016 - 2020)*
- *Strategy for realizing children's rights (2019 – 2023)*
- *Program to combat HIV/AIDS (2021 – 2023)*
- *Strategy for protection and improvement of mental health in Montenegro (2019 – 2023)*
- *Smart Specialization Strategy of Montenegro (2019 – 2024)*
- *Strategy for the prevention of drug abuse in Montenegro (2013 - 2020), the new one is under construction*
- *Strategy for the prevention and protection of children from violence with an Action Plan (2017 – 2021)*

## 1.2. EU Strategies and Policies

### EU Youth Strategy 2019 to 2027

The EU Youth Strategy promotes the inclusion of young people in democratic life, as well as social and civic engagement, with the aim of ensuring that all young people have the resources necessary for participation in various fields, which is also reflected in the seven-year program documents. The strategy also focuses on three key areas, with three key words: Engage, Connect, and Empower. There are defined mechanisms that the EU uses in cooperation with young people, including joint learning activities, future national activity planners, the EU dialogue with young people, the EU youth strategy platform, and other evidence-based tools.

The goals of the EU Youth Strategy are:

- Enable young people to be creators of their lives, support their personal growth and development to autonomy, build their resilience, and equip them with life skills to deal with a changing world;
- Encourage and equip young people with the necessary resources to become active citizens, agents of solidarity, and positive change inspired

by EU values and European identity;

- Improve political decisions with regard to their impact on young people in all sectors, especially in employment, education, health, and social inclusion; and
- Contribute to the eradication of youth poverty and all forms of discrimination and promote the social inclusion of young people

## **Youth Policy of the United Nations**

The primary work agenda of the United Nations consists of the Sustainable Development Goals, or Agenda 2030, which are also a global call to action to eradicate poverty, protect the planet, improve life, and create equal opportunities for people around the world. In order to ensure the inclusion of youth in the implementation of the Agenda for Sustainable Development, the UN has developed its Youth Strategy, which aims to provide more global, regional, and national level activities to respond to the needs and advance the rights of youth, in all countries around the world. It also aims to ensure that young people are involved in the implementation and monitoring of the 2030 Agenda for Sustainable Development and other important global agendas and frameworks.

The vision of the UN Youth Strategy is: "A world where the human rights of every young person are realized; which ensures that every young person is empowered to reach their full potential; and which recognizes young people's ability, resilience and their positive contribution as agents of change".

## **United Nations Sustainable Development Goals**

In order to ensure the inclusion of youth in the implementation of the Agenda for Sustainable Development, the UN has developed a Youth Strategy whose goal is to provide more global, regional, and national level activities to respond to the needs and advance the rights of youth, in all countries around the world. It also aims to ensure that young people are involved in the implementation and monitoring of the 2030 Agenda for Sustainable Development and other important global agendas and frameworks.

**GOAL 4: Provide inclusive and quality education and promote opportunities for lifelong learning**

4.4. By the end of 2030, significantly increase the number of young people and adults who have relevant skills, including technical and professional ones, for employment, decent jobs, and entrepreneurship.

4.7. By the end of 2030, ensure that all students acquire the knowledge and skills necessary to advance sustainable development, including through education for sustainable development and sustainable lifestyles, human rights, gender equality, as well as for promoting a culture of peace and nonviolence, belonging to the global community and respect for cultural diversity and the contribution of culture to sustainable development.



**GOAL 5: Achieve gender equality and empower all women and girls**

5.b Increase the use of innovative technologies, especially information and communication technologies, in order to promote the empowerment of women

5.c Adopt and strengthen good policies and executive legislation to promote gender equality and empowerment of all women and girls at all levels.

**GOAL 8: Promote inclusive and sustainable economic growth, employment, and decent work for all**

8.5. By the end of 2030, achieve full and productive employment and decent work for all women and men, including young people and people with disabilities, as well as equal pay for work of equal value.

**8.6. By the end of 2030, significantly reduce the share of young people who are neither employed nor in the process of education or training.**

**8.6.1. Proportion of youth (aged 15–24 years) not in education, employment or training**

$$\text{NEET rate} = \frac{Y - Y_{\text{emp}} - Y_{\text{uet}}}{Y} \times 100$$

The share of youth not in employment, education, or training (youth NEET rate) provides a measure of youth who are outside the educational system, not in training, and not in employment, and thus serves as a broader measure of potential youth labor market entrants than youth unemployment. It includes discouraged worker youth as well as those who are outside the labor force due to disability or engagement in household chores, among other reasons. Youth NEET is also a better measure of the current universe of potential youth labor market entrants as compared with the youth inactivity rate, as the latter includes those youth who are outside the labor force and are in education, and thus are furthering their skills and qualifications.

8.b By the end of 2030, develop and operationalize a global strategy for youth employment and implement the "Global Pact on Employment" of the International Labor Organization.

**GOAL 10: Reduce inequality between and within countries**

10.1. By the end of 2030, progressively achieve and maintain income growth for the bottom 40 percent of the population at a rate higher than the national average.

10.2. By the end of 2030, strengthen and promote the social, economic, and political inclusion of everyone, regardless of age, gender, disability, race, ethnicity, origin, religion, or economic or other status.

GOAL 13: Take urgent action in the fight against climate change and its consequences

13.3. Improve education, raising the level of awareness, as well as human and institutional capacities in connection with mitigating and reducing the impact of climate change, i.e. with adaptation and early warning of climate change.

GOAL 16: Promote peaceful and inclusive societies for sustainable development, ensure access to justice for all, and build efficient, reliable, and inclusive institutions at all levels

16.7. Ensure responsible, inclusive, participatory, and representative decision-making at all levels.

## **Council of Europe Youth Strategy 2020-2030**

The Council of Europe through all its statutory bodies (the Council of Ministers, the Congress of Local and Regional Authorities, and the Parliamentary Assembly) actively works on youth issues and the development of guidelines for youth issues and is often recognized as a pioneer in setting standards and developing best practices for working with young people and for young people. On the other hand, within the Department for Youth, the Secretariat of the Council of Europe is actively working on new issues and trends in the field of youth. The Council of Europe is also recognized for its structures in the field of youth, primarily bodies that bring youth representatives and representatives of institutions from member countries to make joint decisions and recommendations for work in the field of youth in the co-management system. In 2020, the Council of Europe presented a new Youth Strategy for a ten-year period, which contains four thematic priorities:

- *Thematic priority 1: Revitalization of pluralistic democracy*
- *Thematic priority 2: Access to rights*
- *Thematic priority 3: Living together in peace and inclusive societies*
- *Thematic priority 4: Work with young people*

## **1.3. Findings of EU Progress Report**

When it comes to NEET youth, and generally youth, there are 2 negotiation Chapters that are important for following the progress and different recommendations in this field.

European Progress Report is an important tool for Montenegrin policies, released every year, and education, social, and employment policies are the ones that show us what the country did to harmonize with EU policies and kind of a roadmap for further integration.

What countries did in terms of youth policies is indicated through Chapters that are part of Cluster 3 called Competitiveness and Inclusive Growth, which is another proof that youth is the main resource for growth.

**Chapter 26 "Education and Culture"** includes the field of education and training, youth and sports, culture, access to education, programs, and other EU instruments. The chapter is temporarily closed and does not contain defined criteria that must

be met. However, the importance of creating equal opportunities for education and participation in the labor market for young people in Montenegro, as well as encouraging them to become active citizens of society, is one of the key priorities that must be achieved in the coming period. In this regard, it is necessary to achieve the highest possible level of cooperation with EU member states within the framework of youth policy, primarily through structured dialogue, mobility, youth work, and the need to promote the proactive participation of young people in all structures of European society.

Additionally, **chapter 19 "Social Policy and Employment"** refers to the achievement of unique and fair access to basic social services and the improvement of the social protection system, as well as the achievement of a high rate of employment, good working conditions, and social cohesion, with special care for groups that are less present on the labor market, including young people, especially the NEET category. Within this chapter, the competent Ministry also initiated the development of the Youth Guarantee, and this Strategy additionally recognizes the importance of this initiative and foresees activities aimed at supporting its implementation.

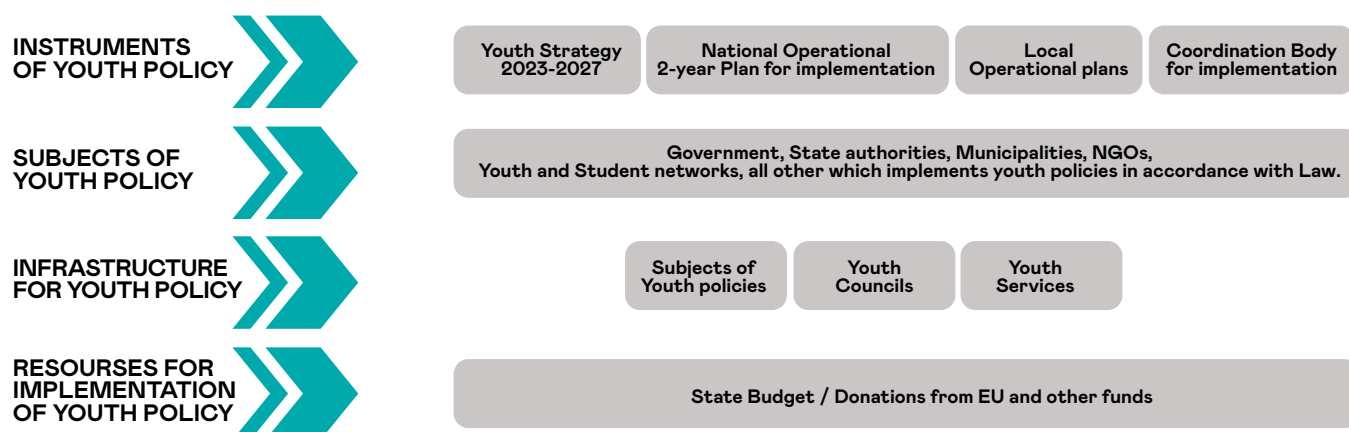
Progress Report 2023 states that the rate of NEETs among young people in 2022 decreased to 23.2%, compared to 26.5% in 2021 which shows positive implications of policies in Montenegro.

This year's Progress report shows that recommendations remain the same because there is still a lot of work to be done in terms of social policies and employment:

- Strengthen the Employment Agency to enable it to efficiently play its role as a modern public employment service and to prepare it for the implementation of the Youth Guarantee and the future use of the European Social Fund (ESF);
- Continue efforts to reform the provision of active labor market policy measures with an emphasis on their labor market relevance, including work-based learning, and establish a continuous monitoring mechanism that will enable evidence-based active labor market policy design;
- Based on the Roadmap of reforms on social assistance and social and child protection services, establish a clear timeline and financial planning for the reform of the social and child protection system and start implementing the reforms.

The level of preparation and progress made in the last year invites stronger action especially expected from the Employment Agency which has the leading role in the employment market.

# 2. Institutional Level



## 2.1. Responsible institutions and cooperation between them

In accordance with the Law on youth policy is a set of measures and activities that state bodies, state administration bodies, local bodies self-governments, non-governmental organizations, student and student parliaments, and other legal entities undertake to improve the position of young people, their personal and social development and inclusion in social flows.

According to the current organizational structure of the Government of Montenegro, the main responsible institution for youth policies is **Ministry for Sport and Youth** and in comparison with the Baseline study done in 2021, the position of youth is now strengthened cause it is the responsibility of Ministry instead of Office for sport and youth that was the case previously.

The current Ministry for Sport and Youth has the following responsibilities related to youth:

- preparation of draft laws, other regulations, and general acts in the field of sports and youth;
- promotion, development, and improvement of youth policy at the national and local levels;
- cooperation with non-governmental organizations, companies, media, trade unions, and other entities in order to plan, implement, evaluate, and improve youth policy;
- encouraging non-formal education of young people; adoption of strategy and action plans and programs for youth;
- cooperation with youth organizations, as well as associations in organizing international events and gatherings in Montenegro;
- assistance and cooperation with youth organizations and associations in their work and promotion of their policies;

- creation of conditions for organizations and associations of young people from Montenegro to participate in gatherings and events abroad;
- encouraging international cooperation policy related to youth;
- encouraging youth policy and cooperation, as well as supporting the work of youth services at the state and local level;

The current institutional structure is additionally strengthened by the nomination of the **Vice president for demography and youth**, with a mandate to work on policies for demography and youth, and therefore has announced the development of a Strategy for demography and youth which will gather a wide range of governmental and non-governmental organizations. This Strategy should define clear activities to diminish population ageing which Montenegro is facing, with a strong focus on youth. The population of Montenegro is rapidly aging due to the lower birth rate and the departure of young people. The average age of the population is around 40 years. This is an urgent call to do more for young people as the main resource of each society.

The second most important institution is the **Employment Agency** whose main goal is to help unemployed people to join the world of work as quickly as possible, and at the same time to offer employers the right person for the challenges they encounter in business.

Nevertheless, as an organized institution in the labor market, the Employment Agency by continuously monitoring and recognizing social and economic trends, significantly contributes to improving the efficiency of the labor market in meeting current and expected needs for personnel. Through the implementation of various educational activities, the transition from the school desk to the world of work is facilitated for the unemployed, and the employability of unemployed persons increases, especially those who have difficulty finding employment: young, elderly unemployed persons with inadequate knowledge and qualifications, persons with disabilities and other vulnerable group.

We cannot say that the work of the Employment Agency is sufficiently good when it comes to youth, especially NEET youth since the European Commission is constantly calling for modernizing its services in order to become capable of different EU funds/ programs and policies.

Employment Agency faces numerous challenges. First of all, insufficient attention is paid to young people without qualifications. Although this category of young people can participate in all available measures, provided they meet the eligibility criteria, the only program of active employment policy that is adapted to this category and that leads to the improvement of their professional competencies is short professional training provided by authorized institutions.

The main challenge is the reform of organizational, procedural, and management structures, as well as the provision of services offered by the Employment Agency. Furthermore, the management staff must be ready for the redistribution of human resources of this institution, that is, an increase in the number of staff dealing with direct contact with clients at the expense of management and administrative positions. This must first of all be implemented in response to the implementation of the Youth Guarantee program in which the Employment Service is the main implementation partner in Montenegro.

Another institution that is working on the education of youth is the **Ministry for Education, Science, and Innovation** which is in the current composition of the Government responsible for administrative tasks related, among other things, to the creation, establishment, and development of the educational system as well as the organization of the work of educational institutions. Also, this Ministry harmonizes domestic regulations with the legal acquis of the European Union in the field of science, research, and innovation, as well as implementing incentive measures for the development of research and innovation in cooperation with other competent institutions.

Ministry of Education, Science, and Innovation, also has a significant role in reducing the NEET rate of young people, since its scope includes efforts related to reducing the mismatch between the skills that young people possess and those that are in demand in the labor market.

For example, the Ministry is working on harmonizing curricula, especially for secondary vocational schools, with the needs of the labor market through the introduction of elements of dual education. Also, activities aimed at promoting the enrolment of students in educational programs are carried out, on the basis of which they acquire qualifications for occupations that are in demand in the labor market. However, there still seems to be a lack of systematic collection and distribution of information related to the issues work with the aim of informing about the enrolment policy and what is more important, with the aim of providing relevant and current information to future students and their parents about the perspective of various occupations on the labor market.

An important institutional partner aimed at improving the position of the NEET population is the **Ministry of Economic Development**. In its primary focus, it supports the creation of a favorable economic environment, which will result in a higher employment rate and a more competitive market. In their regular activities, the representatives of this Ministry participate in the creation of policies that also relate to young people.

## **European Funds for NEET**

Young people make up almost a fifth of the total population of Montenegro. Orientation policy makers on youth is clear through the established legislative and institutional framework at the national level. The legislative framework that deals with the issue of youth in Montenegro is defined through the Youth Act which defines the instrument for creating and implementing youth policy: Program for achieving public interest in the field of youth policy which is established every two years and defines priority areas. Measures and activities aimed at improving the position are prescribed to young people and ensure intersectoral cooperation of all institutions that are engaged in youth politics. The strategic framework at the national level is defined by the National Strategy for Youth.

Making sure other under-represented groups – e.g. older people, low-skilled people, persons with disabilities, those living in rural and remote areas, LGBTIQ people, Roma people, and other ethnic or racial minorities particularly at risk of exclusion or discrimination as well as those with a migrant background – participate in the labor market to the maximum of their capacity will also contribute to a more inclusive employment growth. People currently discouraged from actively seeking employment must be encouraged to participate in the labor market for it to rebound quickly.

Within this document European Commission especially invites Western Balkan countries to foster the implementation of the European Pillar of Social Rights and to tackle the social gap between Member States and Western Balkans, candidate countries and potential candidates will be included, as appropriate, in relevant actions, platforms, working groups and meetings.

The Instrument of Pre-Accession Assistance (IPA) III will provide increased funding for human capital development and a flagship initiative to implement youth guarantee schemes to address the high NEETs rates in the region.

The Commission encourages Enlargement countries to continue to align with EU social standards and policies, notably through the Economic and Reform Program process, on their path of convergence towards the EU. The Economic and Investment Plan (EIP) for the Western Balkans<sup>29</sup>, published by the European Commission in October 2020, proposed the implementation of the Youth Guarantee program in the Western Balkans in four phases during the period from 2021-27 through the provision of financial support from IPA funds. The mentioned stages include:

- Plans for the implementation of the Program;
- Preparation - strengthening the capacities of interested parties and state authorities, making resources available, improved mechanisms and systems, justification studies, and technical studies;
- Pilot phase - intended to test the measures that are planned for new groups of members of the NEET population that have been identified through the fieldwork program in a selected number of local governments;
- Gradual introduction into full implementation - based on the evaluation of the pilot phase, changes should be made to the plan for the implementation of the Program and start with the full implementation of the program.

The implementation of the Youth Guarantee program in the countries of the Western Balkans and the start of its first phase will follow when the countries commit to the establishment of interdepartmental working groups in which all relevant stakeholders should be included, with the task of drawing up plans for the implementation of the program.

In Montenegro, the initiative to introduce Youth Guarantees followed in 2022, with the formation of an interdepartmental Working Team that gathers representatives of the Ministry of Labor and Social Welfare (program coordinator), the Employment Agency, the Ministry of Education, the Ministry of Sports and Youth, as well as representatives of the civil sector. Although it was planned to be passed and adopted already in 2022 plan to implement the Youth Guarantee, the process is still ongoing.

The first implementation plan of the Youth Guarantee in Montenegro should cover the period 2023-2026, with the piloting of the service provision system from the Youth Guarantee planned for 2025 and 2026<sup>30</sup>. This timeframe will allow:

- Implementation of necessary changes in the legal system;
- Adoption of necessary policy reforms in the Employment Agency for system management

- Providing Youth Guarantee services and establishing a mechanism for tracking;
- Development of a plan for the introduction of the Youth Guarantee based on the lessons learned from the piloting phase. The piloting of the Youth Guarantee service delivery system will be conducted in three regions (northern, central, and coastal).

## 3. Identification Of The Problem

### 3.1. Data on NEET youth from the Statistical Office of Montenegro

Statistical Office of Montenegro, as the official statistical producer is responsible for the production of official statistical data and produces NEET youth indicators through labor force survey, adopting the common definition of EUROSTAT and ILO, which defines NEET youth as a proportion of the population not in employment, education or training represent the percentage of young people aged (15–29 years) who are neither in employment nor in education or training.

Besides this indicator, there are many other that indicates the position of youth in Montenegro through many aspects.

Statistics for employment and unemployment have traditionally been used to describe labor markets, in other words, providing data on people who have a job and those who are actively looking for one. However, an analysis of the labor market participation of younger people is somewhat different, especially when:

- A large proportion of young people are still attending school, college, university, or other higher education establishment or training, and;
- Another group of young people is neither in employment (unemployed or outside the labor force) nor in education or training (NEETs).

The share of young people neither in employment nor in education or training is an indicator that measures the proportion of a given subpopulation who are not employed and not involved in any further education or training; these people may be subdivided into those who are unemployed and those who are considered outside the labor force (in other words, they do not have a job and they are not actively seeking employment). The definition of the group is as follows:

- The numerator of the indicator refers to people meeting two conditions. Firstly, they are not employed — in other words, they are unemployed or outside the labor force. Secondly, they have not received any (formal or non-formal) education or training in the four weeks preceding the LFS.
- The denominator is the total population of the same age group, excluding non-responses concerning 'participation in regular (formal) education



and training', in other words, respondents who failed to answer this LFS question.

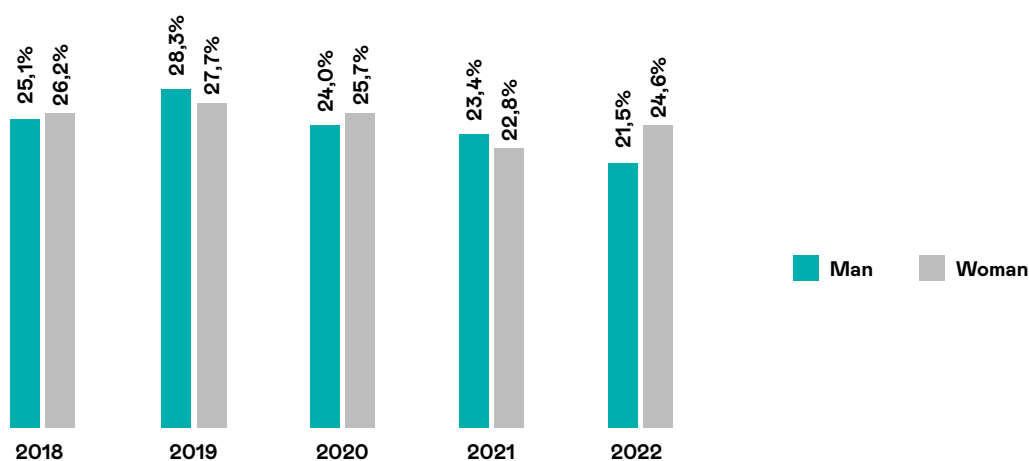
## Survey on income and living conditions

Based on the preliminary data of the Survey on Income and Living Conditions (EU-SILC) from 2022 The percentage of young people at risk of poverty (15-29 years old) in 2022 was 23.0%, of which 21.5% were men; women – 24.6%. We can see that the risk of poverty rate is constantly decreasing and is at the lowest level for the last 10 years. We also see that in 2022, while the risk of poverty rate decreased for men, for women we have increased risk of poverty rate.

Percentage of young people at risk of poverty rate 15-29

YEAR	TOTAL	M	F
2013	26.2%	24.4%	28.2%
2014	28.1%	28.7%	27.5%
2015	27.1%	26.7%	27.6%
2016	27.9%	28.4%	27.3%
2017	26.2%	27.2%	25.0%
2018	25.6%	25.1%	26.2%
2019	28.0%	28.3%	27.7%
2020	24.8%	24.0%	25.7%
2021	23.1%	23.4%	22.8%
2022	23.0%	21.5%	24.6%

Source: Statistical Office of Montenegro



Source: Statistical Office of Montenegro

## Labor force survey

The main objective of the survey is to gain insight into the behavior of certain groups in the labor market in a way that enables the application of modern methods of analysis of any scientific field: economics, sociology, psychology, and others. One of the main objectives of the survey is that when defining overall employment and unemployment, international standards apply to this category and could be compared to equivalent categories in other countries, especially European countries. Within this survey, we can assess NEET youth indicators, and data are presented below.

The calculation of this indicator requires having reliable information on both the labor market status and the participation in the education or training of youth. The quality of such information is heavily dependent on the questionnaire design, the sample size and design, and the accuracy of respondents' answers. In terms of the analysis of the indicator, in order to avoid misinterpreting it, it is important to bear in mind that it is composed of two different sub-groups (unemployed youth not in education or training and youth outside the labor force not in education or training). The prevalence and composition of each subgroup would have policy implications, and thus should also be considered when analyzing the NEET rate.

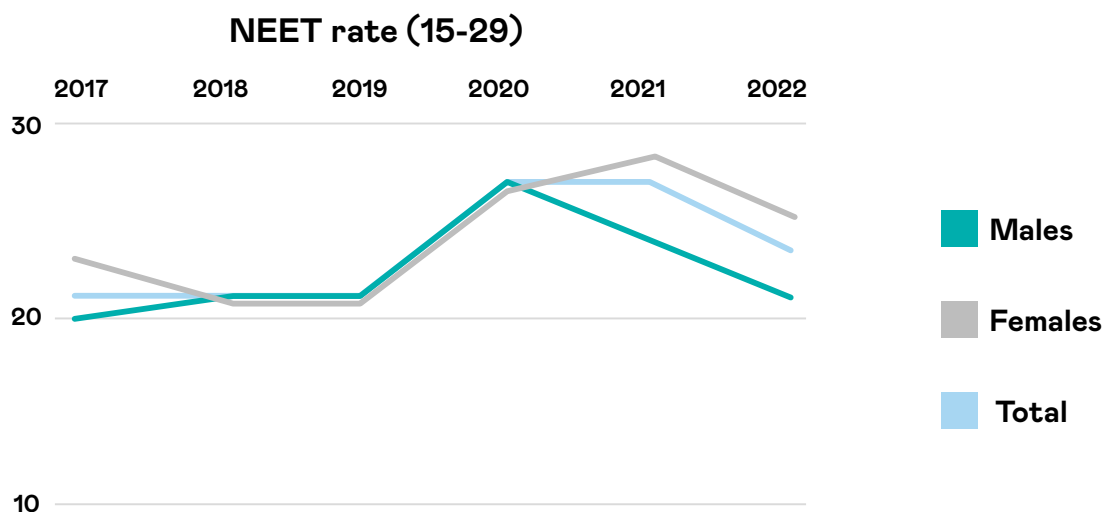
## NEET<sup>1</sup> - not in employment, education, or training (15-29)

(15-29)	2017	2018	2019	2020	2021	2022
<b>Total</b>	21,4	21,0	21,3	26,6	26,5	23,2
<b>Males</b>	20,3	21,2	21,0	26,2	28,3	24,6
<b>Females</b>	22,6	20,8	21,5	26,9	24,6	21,7

From 2015 to 2018, the NEET rate slightly decreased from 23.4% to 21% of young people. After that, this indicator rose to a maximum of 26.6% of the total youth population in 2020, corresponding to the decline in the Montenegrin economy caused by the COVID-19 pandemic. The following year, 2021, was marked by stagnation—the NEET rate decreased to 26.5%. A Noticeable decline in the NEET rate was recorded in 2022, where, according to data by the LFS, slightly less than a quarter of the total youth population, or 23.2%, belonged to the NEET population, comprising around 32,200 young people aged 15 to 29.

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1. NEET - proportion of the population not in employment, education or training represent the percentage of young people aged (15–29 years) who are neither in employment nor in education or training



Source: Statistical Yearbook 2023

*Based on the official statistical data, NEET rate in 2022 in Montenegro was 23,2, and the decrease is obvious and biggest in the last 5 years.*

*Having in mind that the average on the EU level is 11,7% for year 2022 it means that Montenegro is far away from european values and that this requires strong policies and actions.*

This indicator is recognized through each policy agenda as well as Agenda 2030, and the European Commission has set up a target that by 2030 this indicator should be less than 9%. We also see that there is a higher percentage of males that are not in employment, education, or training but with a trend of descending. As a post-pandemic period, the European Commission has set up The European Pillar of Social Rights Action Plan, which goes back to social rights, and also fosters the UN Agenda 2030 supporting strongly social rights through this action plan.

YEAR	NEET (15-29)	Men	Women	ISCED 0-2	ISCED 3-4	ISCED 5-8	Unemployed	Inactive	South	Center	North
2020	26.6	51.1	48.9	11.7	60.2	28.1	51.4	48.6	17.4	44.2	38.4
2021	26.5	54.9	45.1	8.5	63.3	28.1	53.5	46.5	19.6	42	38.4
2022	23.2	54.6	45.4	7.2	66.6	26.2	58.6	41.4	11.8	47.9	40.3

In terms of gender structure, the share of men in the NEET group in 2022 is higher than women (54.6% versus 45.4%) and is almost identical to the result achieved the year before. This information distinguishes Montenegro from the dominant majority of European countries, where the NEET population is mostly related to women. Before 2020 we had a different situation, where we had more women in NEET status than men. When it comes to education, the data show quite high rates of NEET youth among graduate students, as well as the fact that the share of youth with tertiary education in the period from 2020 is at a significantly higher level compared to before. The above data indicate several significant phenomena that should be considered when we talk about the NEET population, such as the increase in the level of education and the increasing challenges that young people face when entering the labor market.

Observing the employment status of NEET youth, it is possible to distinguish two groups of young people: unemployed and inactive, i.e. young people who do not belong to the working-age population, i.e. are not looking for work. In recent years, there has been a noticeable trend of increasing the share of NEET youth who are unemployed - while in 2020 their share in the total number of NEET youth was 51.4%, and in 2022 it rose to 58.6%. The decrease in the share of inactive NEET youth in the observed period. Additionally, it is important to note that the share of women in the group of inactive NEET youth is still higher than that of men, mostly due to family obligations.

When it comes to geographic distribution, the largest percentage of young people who belong to the NEET population lives in the central region of Montenegro, 47.9% of them, 40.3% of that population live in the northern part, while the smallest share is in the coast, only 11.8%. The most significant percentage drop of NEET youth in the period 2020-2022 was recorded on the coast.

## **Population Census**

The Census of population, households, and dwellings is the largest and most complex statistical survey in terms of scope and contents and is implemented every ten years, in line with the uniform standards of the UN and European Commission.

The purpose of the Census is to collect data on the total number and territorial distribution of main census units (inhabitants, households, and dwellings), main demographic, educational, migration, economic, and other characteristics, at the level of the country, local self-government units, and settlements. Population censuses are the basis for population estimates in the period between censuses, and they serve for projections on a number of populations. Census data possess special importance in almost all policies that a country creates, because the base data of every policy is population, regardless of work domain: health, education, employment, economic development, etc.

The last population census was conducted more than 10 years ago, i.e. in 2011. According to the census, Montenegro has 620,306 inhabitants, while Monstat's projection for 2021 is similar and amounts to 621,306 inhabitants. In 2011, there were 132,702 young people aged 15 to 29. This means that every fifth citizen of Montenegro is young (21.4%). The majority of young people (66.1%) live in urban areas, while every third young person (33.9%) lives in rural areas of Montenegro. We are waiting for the results of Census 2023 to see the newest data.

Census 2023 covered also employment characteristics and had important questions on the employment status of individuals and reasons for seeking or not seeking the job. This will be a valuable set of data for also assessing NEET youth and the main reasons for being part of this category. Hopefully, this can be an important tool for the Government to plan activities in this field. Census is asking for the main reasons for not seeking the job categorizing the reasons and this can help policy makers to understand better and act accordingly.

Census 2023 data will be released in the second half of the 2024 year and it will be an important source of data for different aspects of NEET youth.

## 3.2. Relevant Data on NEET youth from other sources

Besides the Statistical Office of Montenegro, as the official producer, there are many other institutions, scientific research, or non-governmental that are dealing with youth policies and are conducting different surveys in order to get data on youth. Most of those surveys are funded by the European Union which recognizes youth and especially those vulnerable groups as ones that need more attention from policy makers.

One of the important researches done recently, on the **level of local policies** related to youth was done by UNDP in May 2022 called **„Research and assessment of local policies related to youth and youth needs in 15 local governments“**.

The main goal of this research is the analysis of local policies related to young people as well as the needs of young people in 15 Montenegrin municipalities, with the aim of using the obtained results as a basis for the further development of effective local policies for young people.

The focus of the research was on the experiences, roles, and relationships of young people in local communities, as well as the identification of their needs, aspirations, and expectations from the community in which they live.

Research showed that young people in most municipalities are not familiar with the legislative and strategic framework that applies to them. Also, they do not know the mechanisms available to them for involvement in decision-making. Research has shown that the experience of young people so far is mostly negative in terms of participation in such activities, and involvement is formal and is reduced to the involvement of those who are already recognized as more active members of the community, or is done along political lines.

Lack of information and non-sharing of information is recognized as a huge problem that is present at different levels, not only in the relationship between the institution and the youth but also between the youth themselves. The research indicated significant passivity of young people in numerous areas. There are problems of not understanding the need for much more intense involvement of young people in all aspects of social life.

The biggest challenge is the unemployment of young people. Analysis of official data, but also the findings based on the research itself are suggestive that this is a pressing social problem that young people face in all municipalities. Additionally, the business environment is mostly rated as unfavourable for young people, and alone it also hinders their desire to practice entrepreneurship and start-up thinking own business. Opportunities for more permanent employment are mostly related to jobs in public

administration, but a problem was recognized there as well of party employment in almost all municipalities. That, in addition to other disadvantages the environment itself influences the thinking of young people about leaving both the municipality and the state.

Also, in almost all municipalities, the lack of information among young people about the programs offered by the Employment Office (despite the existence of programs and promotional campaigns by the institution) was registered. This points to the need for a different approach in informing young people about the opportunities offered to them through the Employment Service, how the existing capacities would be used and valorized, and how the activity of young people would increase in cooperation with this institution.

The problem of division is recognized in most communities among young people (lately are particularly visible divisions on political grounds) is said that the current increase in speech hatred and there is large mobilization of young people in political parties, which often as organizations do not foster dialogue and tolerance. Often the problem of political divisions is so much expressed among young people that it would not exist their cooperation in youth organizations if they had different political views.

Acceptance needs to promote differences among young people in various ways fundamentals, including political attitudes and commitments. Young people recognize the dominant political topics in the media and publicize the speeches of prominent personalities. On the other side, there is little educational content and those based on topics of importance for all generations. Often young people think that it is in their interest to join certain political parties, because that's the only way they see its progress, due to the great influence of politics with friends. Often young people are active in participating in political events they see its long-term growth and development. Therefore, it should work to increase awareness of all opportunities offered to young people through which they can fulfill their potential.

# 4. Main Differences In The Position Of Neet Youth Compared To Baseline Study From February 2021<sup>2</sup>

NEET youth indicator from 2019, when the baseline study was prepared, was at the level of 21,3% and has increased to the level of 23,2%, but after 2 COVID years, it has decreased to 3.3% which is a good signal.

Nevertheless, in comparison to the baseline study in 2021, Montenegro had institutional challenges so instead of the Office for Youth and Sport, today we have the Ministry for Youth and Sport which is an institutional step forward, especially keeping in mind that there is a vice president of Government portfolio related to youth and demography which for the first time connects demographic changes with youth as an essential part of society. In institutional circumstances we can say Montenegro has a stronger institution, with a much stronger impact on the Government, and formally greater importance for policies. For the practical aspects, we will see in the future, what impacts this organizational structure will have.

On an individual basis, another important institution for youth policies, which is the Employment Agency is facing similar problems and it is still far from being a „modern public employment service ready to for the implementation of the Youth Guarantee and the future use of the European Social Fund (ESF)”, which is stated in this year progress report of EU. This is still a great challenge for the state in order to be capable of implementing European policies and gathering EU funds.

From 2021 when the previous youth Strategy ended, we had a gap of 2 years without any Strategy related to youth, but in 2023 a new Strategy was adopted for the period 2023-2027 which gave the strongest approach till now, with clear operational plan and way forward. It has preventive, as well as development measures that can improve the position of youth especially those considered as NEET. Even when we see priorities compared between 2 strategies we see the greater dedication of policymakers to bear a greater burden of establishing a society of opportunities for youth, and clear action plans to achieve that.

Assessing the local policies on youth, there is a notable lack of capacities in some municipalities so this remains a field where knowledge especially of the civil sector should be introduced and shared.

As in the previous period, the evaluation of the implementation of different legal and strategic frameworks remains a challenge, and without an operational monitoring process, we cannot make informed decisions.

Regarding the data on NEET youth, we still have basic indicators from the Statistical

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2. <https://www.nvoprma.org/publikacije.html>

Office, but all the others that are going more deeply into the topic, are provided by different organizations and are not comparable and regular, so we cannot follow the main aspects of NEET youth in Montenegro and are still depending on financial capacities of different organizations. Data that are collected from the Statistical Office of Montenegro, can be easily disaggregated for the age range 15-29, in accordance with Youth Law, based on the request. NEET youth is published for 2 age ranges 15-24 and 15-29.

## 5. Conclusions & Recommendations

The control study has shown that Montenegro is on a good path when it comes to youth policies and that they are well planned, conducted, and fostered, but it has also shown that not all institutions are prepared for important activities they have to implement, and therefore youth is still not included in policy-making as they should be. There is a lot of place for improvement, especially if Montenegro makes different institutional improvements, and influences on the awareness of youth that they should be important allies in planning and monitoring youth policies.

Below are presented different recommendations as a result of the control study:

1. NEET category should be recognized by legal and strategic documents since it represents specific population groups that need to be followed regularly in order to assess the reasons for changes in this indicator, which require different policies in order to create a stable ambient for decreasing NEET youth rate.
2. Reform, strong cooperation, and modernization of all institutions and civil sector are required and knowledge should be merged in all that relates to youth policies, in order to be capable of getting different EU funds that can influence youth wellbeing. This especially relates to the Employment Agency.
3. All subjects of youth policy should work harder on increasing awareness about policies and mechanisms that are formally established in Montenegro when it comes to youth policies. Campaigns and educational programs on state and local levels should be more progressive through a continuous variety of campaigns. The most invited partner, with the greatest knowledge of youth policies, is civil society and it is necessary to establish a partnership with them to work on topics of social protection, employability, and education of youth. Civil society should be an important part of a network of policymakers on NEET youth and work on creating appropriate policies and supplementing institutional support.
4. Continuous collection of data on NEET youth and needed disaggregation should be initiated based on the policy needs as well as obligations that Montenegro has in European and international reporting. Responsible institutions should recognize, together with the Statistical Office, needed indicators and jointly work on providing funds for more regular surveys. Research can be organized at different levels by the local itself,



self-government, relevant institutions, non-governmental organizations dealing with the issues of young people, up to the youth organizations themselves. Conducting research among young people by the youth organizations themselves would contribute not only to a better understanding of young people but would affect the development of various skills of young people who are directly involved in research (development of questionnaires, mathematical skills, critical thinking, interpersonal communication, etc.).

5. Special focus should be on those who have no opportunities to get experience in different works, in order to get the required references for acquiring jobs. Youth are attracted by public administration but they strongly believe that political involvement is a needed precondition. Therefore, state administration should introduce more practice for those who need to get experience before getting employed.
6. A systematic approach for promoting entrepreneurship, by offering different measures and support mechanisms would be simulative for all those young people who are seeking jobs outside of Montenegro due to political turbulences and lack of job opportunities.
7. Strong reform of the educational system should be continued and should focus more on preparing youth for the labor market on all levels. Occupations in deficit should be promoted and therefore aligned with the needs of the market. The analysis of local labor markets indicated that most municipalities face a mismatch between supply and demand, where they identified deficit occupations in each of the municipalities. What emerges as a conclusion is that most municipalities (and especially smaller municipalities) face a shortage of medical personnel (especially medical doctors and nurses). Also, there are frequent deficit occupations in education, in the natural sciences (mathematics, physics, etc.), as well as engineers (civil engineering, electrical engineering, etc.). Since it is a question of higher professional training, it is necessary to guide high school students toward these occupations.
8. Stronger local activities should be encouraged because not all municipalities are implementing the possibilities that Law on Youth is providing, due to lack of knowledge, passiveness of youth, or lack of capacities to implement youth policies and required institutional reorganization. Ministry for Sport and Youth should support municipalities in developing capacities for youth policies.



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