EU Horizon

Inspiring European Futures

Local Market Analysis Report

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INDEX

Intereactive Index

1. Introduction

This report is intended to provide a detailed analysis of the local labour markets in the countries belonging to the International Network, focusing on the identification of employment and youth development opportunities in Europe. It focuses on establishing a solid basis for the implementation of strategies to strengthen the insertion of young people into the labour market through partnerships with non-governmental organisations and local companies through internship programmes. The analysis of local economic and social environments is essential to tailor actions and promote inclusion and equal access to training opportunities.

The relevance of this report lies in its ability to identify both the challenges and opportunities specific to each region, which allows the creation of appropriate strategies for each context. In this way, it seeks to optimise the integration of young people into the labour market, promoting collaboration between the various social and economic actors in each territory.

This document is part of the EU Horizons: Inspiring European Futures project, which aims to improve the labour market integration of young people through the collaboration of third sector entities with public and private companies. The aim is to generate a network and knowledge that will enable young people to carry out internships in companies and other entities. This analysis as mentioned above gives an overview of the current situation in the countries of the "International Network" where Somos Europa is in charge of the overall coordination of the network and the project. It is funded by the European Commission through the Erasmus+ programme, as a centralised action.

Objectives of the Report

The main objective of this report is to identify and analyse the characteristics of local markets in the countries included in the analysis, with a special focus on youth employment dynamics and collaboration with local actors, such as NGOs and enterprises. It also aims to provide a detailed overview of the existing opportunities and barriers for the integration of young people into the labour market, considering both macroeconomic trends and country-specific factors. It also highlights the role and role of internships in the labour market at local and European level.

In addition, the report aims to provide the basis for the development of intervention strategies that will enable participating organisations to maximise the impact of their actions. These strategies will be based on an exhaustive analysis of the supply and demand of employment, as well as on the identification of training needs and possibilities for collaboration with the business sector and other relevant entities. It has also allowed the network to analyse the specific needs of each country, so that each partner organisation has been able to contact some third sector and private sector entities in their environment to be able to propose collaborations, specifically in the possibility of hosting young Europeans in internships.

Scope and Methodology

The analysis covers a number of European countries, each of which has been examined in detail to understand its market structure, employment situation and socio-economic context. The methodology employed combines the use of qualitative and quantitative data to ensure a comprehensive analysis. Data collection from secondary sources, such as reports from international organisations and official statistical data, has been carried out.

In addition, a comparative approach has been used to identify similarities and differences between the countries analysed, facilitating the formulation of strategic recommendations adapted to the particularities of each context. This methodology is developed in such a way as to ensure an accurate and rigorous analysis of each market, with the aim of facilitating informed decision-making for the implementation of strategies.

2. Market Overview

The analysis of the local market is contextualised in a constantly changing global scenario, where economic, social and technological factors have created a dynamic and challenging environment for youth employability. National policy variations and economic fluctuations have a significant impact on the way labour markets develop in each country. In addition, the growing demand for digital and sustainable skills has redefined the most sought-after professional profiles, requiring continuous adaptation by young people to effectively integrate into the labour market.

The report seeks to unravel these dynamics, providing a perspective that facilitates the understanding of the particularities of each local market, while offering a comparative view of the trends and factors that affect all the countries involved in the analysis in a cross-cutting manner. This is essential for the formulation of strategies that are aligned with the economic and social priorities of each territory, and to take advantage of emerging opportunities that can benefit European youth.

Global Market Trends

Analysis of overall labour market trends in Europe reveals a number of dynamics that significantly influence youth employability and the development of different economic sectors. Overall, the European economy shows moderate growth, driven by the post-pandemic recovery and the drive towards digitalisation and the transition to a green economy (European Commission, 2023). However, these trends coexist with specific challenges that vary across countries and sectors.

One of the most relevant sectors is the health sector, which has gained prominence in the aftermath of the COVID-19 pandemic. At the European level, conditions in the health sector are favourable in terms of the availability of infrastructure, technology and quality of services. This has been made possible by public investment policies and modernisation efforts supported by European funds (Eurostat, 2023). However, the temporary nature of employment contracts within the sector remains a considerable problem. Despite the high demand for health professionals, many of the jobs generated are of a temporary nature, especially in support areas such as primary care and elderly care. This limits job stability for many young people, who face the insecurity of short-term contracts (International Labour Organization [ILO], 2023).

Digitalisation and the adoption of new technologies represent another key trend that is redefining the labour market. The growth of sectors such as e-commerce, artificial intelligence and automation has generated an increasing demand for digital skills, creating new opportunities for Europe's youth (OECD, 2023). However, this development also implies the need to constantly update skills, which can be a challenge for those who do not have access to lifelong learning. Digitalisation has been particularly relevant in countries such as Germany, the Netherlands and Denmark, which have established themselves as leaders in technological innovation (World Bank, 2023). However, southern European countries, such as Greece and Portugal, face challenges in digitally adapting their economies, reflecting a persistent digital divide.

The drive towards a green economy is another trend that has gained prominence in the European Union. The energy transition and focus on sustainability has led to growth in sectors such as renewable energy, energy efficiency and electric mobility (International Energy Agency [IEA], 2023). This trend has created an emerging labour market that demands technical skills and professionals specialised in sustainability, which represents an opportunity for young people interested in joining forward-looking sectors. However, the uptake of these technologies has not been uniform across countries, with significant disparities between northern and southern and eastern European countries, resulting in unequal access to new employment opportunities (European Commission, 2023).

Globally, labour mobility has decreased compared to previous decades, leading to changes in the way young people enter the labour market. Whereas international mobility was once presented as a solution to youth unemployment in countries with fewer opportunities, many young people now face greater restrictions to migrate, whether due to language barriers, bureaucracy or the impact of the pandemic (Eurostat, 2023). This trend has highlighted the need to strengthen local labour markets, improving the quality of jobs and adapting vocational training to the needs of each country.

In conclusion, the European labour market is undergoing a significant transformation process, marked by digitalisation, the transition towards sustainability and the recovery of the health sector. However, the persistence of temporariness in key jobs, such as those in the health sector, and the uneven distribution of opportunities across countries represent major challenges. Global trends point to the need to adapt employment policies to ensure a more equitable integration of young people in a changing labour market (ILO, 2023).

Macroeconomic Factors

The analysis of macroeconomic factors influencing European labour markets provides a comprehensive view of the economic conditions affecting employment generation and the integration of young people into the labour market. Macroeconomic factors, such as GDP growth, inflation, fiscal and monetary policies, and international trade, play a key role in shaping labour dynamics and each country's ability to provide quality jobs.

Gross Domestic Product (GDP) growth

GDP growth is a key indicator of a region's economic dynamism and its capacity to generate jobs. Following the COVID-19 pandemic, most European countries experienced a moderate economic recovery, with growth rates varying between 2% and 4%, depending on each national context (European Commission, 2023). This recovery has been strongest in countries with diversified and robust economies, such as Germany and Denmark, where GDP growth has favoured the creation of new jobs in high value-added sectors, such as technology and advanced manufacturing. However, in more fragile economies, such as Greece and Portugal, growth has been slower, affecting the ability of these countries to absorb young people into the labour market.

Inflation and Purchasing Power

Inflation is another crucial macroeconomic factor, as it directly affects the purchasing power of workers and the economic stability of a country. In recent years, inflation has been a major concern in Europe, especially due to factors such as rising energy prices and the disruption of global supply chains (European Central Bank, 2023). This has generated pressures on wages, impacting both businesses and consumers. In some countries, such as Turkey, inflation has reached high levels, weakening the purchasing power of the population and creating uncertainty in the labour market, affecting job stability. In contrast, economies such as France and Germany have managed to keep inflation under control, leading to greater economic stability and a more favourable environment for job creation.

Fiscal and Monetary Policies

The fiscal and monetary policies of the European Union and of each member state have a direct impact on economic stability and growth. The implementation of fiscal stimulus policies, such as the European Union's recovery funds (*NextGenerationEU*), has been key to the economic recovery of the countries most affected by the pandemic (European Commission, 2023). These funds have enabled investment in infrastructure, modernisation of health systems and digitisation, creating employment opportunities in sectors such as construction and technology. However, the effectiveness of these policies varies between countries, depending on the capacity of each government to manage and allocate the funds efficiently.

On the monetary front, the policies of the European Central Bank (ECB) have been instrumental in maintaining financial stability in the euro area. Low interest rates and stimulus measures have helped sustain credit and investment, facilitating the recovery of small and medium-sized enterprises (SMEs), which are an important source of youth employment. However, the recent rise in interest rates to combat inflation has raised uncertainty about the sustainability of economic growth, especially in countries with high public debts, such as Italy and Greece (European Central Bank, 2023).

International trade and globalisation

International trade and integration into the global economy are key factors for the growth of the European Union. Countries such as the Netherlands and Germany benefit from their position as logistics and trade hubs, allowing them to maintain a robust economy based on the export of manufactured goods and high value-added services (OECD, 2023). Trade openness has been a source of economic growth and employment in these countries, facilitating the entry of young people into sectors such as automotive, engineering and technology.

However, globalisation has also posed challenges for some European economies. Competition from emerging markets and the relocation of industries to regions with lower production costs have affected traditional sectors in countries such as Romania and Bulgaria, where manufacturing industry has lost competitiveness to Asian competitors. This has led to a loss of industrial jobs and forced these countries to seek new strategies to attract investment and foster local innovation.

Regional Inequalities and Territorial Cohesion

Regional inequalities within the European Union are also a macroeconomic factor impacting the labour market. While the northern and western regions of Europe, such as Scandinavia and Germany, are characterised by a high level of economic development and low unemployment, the southern and eastern regions face greater challenges in terms of economic development and employment generation (Eurostat, 2023). This has led to internal migration of young people in search of better opportunities, which, in turn, has exacerbated depopulation and the loss of talent in certain rural regions of countries such as Spain and Greece.

The EU's efforts to reduce these inequalities, through cohesion and regional development programmes, have been instrumental in promoting more balanced growth. However, structural challenges remain, and the capacity of some countries to absorb these funds and translate them into concrete labour market improvements varies significantly.

Macroeconomic factors are key to understanding labour market dynamics in the European Union. Economic growth, inflation, fiscal and monetary policies, and international trade are all interconnected but affect countries differently. Differences in the management of these macroeconomic factors explain to a large extent the disparities in youth employment opportunities between the different regions of Europe. In this sense, it is essential to design policies that not only promote economic growth, but also foster labour inclusion and social cohesion.

Competitive analysis

The competitive environment of European labour markets presents a number of challenges and opportunities for the integration of young people into the world of work. Competition takes place both internally, between local companies, and externally, with the presence of multinational companies offering training and employment programmes for young people.

Local enterprises, especially small and medium-sized enterprises (SMEs), remain the main driver of employment generation in many European countries. According to data from the European Commission (2023), SMEs account for more than 99% of the European business fabric and are responsible for the majority of new jobs created in the region. However, these companies often find it difficult to compete with large multinationals, which have greater resources to invest in training and professional development of young people.

In this context, multinationals often attract young people with internship and training programmes that offer them valuable professional experience and the possibility of accessing stable international employment opportunities. However, these practices have also been criticised for fostering precarious jobs and not always ensuring a transition to permanent employment, which limits their long-term impact on youth labour market integration (Eurofound, 2023).

In addition, the growing number of initiatives by civil society organisations and NGOs working on youth training has created an environment where competition to attract and retain the best talent is increasing. These organisations play an important role in training soft skills and promoting values such as social inclusion, complementing the more technical training that is often offered by companies (Bertelsmann Foundation, 2023).

This competition analysis highlights the need for a comprehensive strategy combining public-private-civil society partnerships to facilitate the integration of young people into the labour market, ensuring that the transition to employment is sustainable and equitable for all participants.

3. Individual Country Analysis

The individual analysis of each country participating in this report allows us to understand the particularities of the labour market and economic dynamics that influence the insertion of young people. Given that each national context has specific characteristics, it has been considered necessary to develop a detailed approach that takes into account the opportunities and challenges faced by each territory. This analysis also focuses on the identification of strategic sectors for youth employability, the economic structure of each country and the interaction with local actors, such as non-governmental organisations (NGOs) and the business sector.

The aim of this section is to provide a comprehensive overview of each national market, highlighting the strengths and weaknesses of the local context. This allows the formulation of strategies tailored to the particular needs of each country, contributing to the creation of sustainable job opportunities for youth and to the improvement of the quality of training and internship programmes.

Methodology for Country Selection

In this market analysis, the selection of countries was not based on a process of choice or comparison, but was defined in advance by each country's membership of the International Network. This network encompasses a number of European countries and territories that collaborate to promote economic development and the integration of young people into the labour market through various programmes and shared strategies.

The methodology used to analyse these countries focused on the collection and study of relevant information on each of them, covering both quantitative and qualitative data. Statistical data were obtained mainly from official sources, such as Eurostat, the World Bank and the OECD, which allowed for a coherent and rigorous assessment of the economic, social and labour characteristics of each territory. In addition, country-specific reports issued by the European Commission and other relevant entities in the International Network were used to provide an up-to-date and detailed picture of youth labour market dynamics and the challenges and opportunities they face.

The analysis was structured in such a way that each country was assessed individually to identify its particularities in terms of labour market, economic factors and opportunities for youth integration. Subsequently, a comparative study was carried out across countries, with the aim of identifying common patterns and significant differences that could influence the formulation of intervention strategies. As an established network, the focus was on maximising the shared knowledge and best practices that each country brings to the network, rather than questioning their inclusion in the analysis.

This methodological approach, based on membership of an existing network, allows for a holistic view of the situation of young people in different national contexts, respecting the diversity and particular characteristics of each country, while highlighting the potential for cooperation and mutual learning that the network offers. This perspective facilitates the identification of common challenges and specific opportunities that can be exploited to improve youth labour market integration in all the countries that are part of the study.

Assessment Factors

In order to carry out a rigorous analysis of youth labour market conditions in the countries that are part of the International Network, several assessment factors were considered to better understand the economic and social dynamics that affect the integration of young people into employment. These factors focused on the assessment of economic, demographic and sectoral indicators that influence employment generation and the quality of opportunities available to young people.

Economic and Employment Indicators The main economic indicators assessed include each country's Gross Domestic Product (GDP), economic growth rate, inflation and purchasing power, as well as the overall and youth unemployment rate. These indicators provide an insight into the stability and economic dynamism of each territory, which is essential to understand its capacity to create quality jobs and absorb the young workforce (European Commission, 2023). Particular attention was paid to the evolution of the youth unemployment rate, as it is a critical indicator for assessing the labour market entry barriers faced by young people.

Sectoral Structure and Growth Opportunities The assessment also considered the sectoral structure of each country, looking at the most dynamic sectors and their capacity to generate employment for young people. This included an analysis of the importance of traditional sectors, such as manufacturing and agriculture, as well as emerging sectors, such as technology, digitalisation and renewable energy (OECD, 2023). This approach allowed for the identification of areas with the greatest potential for youth job creation, as well as those facing specific challenges, such as modernisation or international competition.

Skills and Training Gaps The identification of skills gaps was a central aspect of the assessment, as these directly influence the employability of young people. The alignment between the skills acquired through formal education and the demands of the labour market in each country was analysed. This included the availability of technical and vocational training programmes, as well as the accessibility of higher education for young people (Eurostat, 2023). The presence of digital skills training programmes and the adaptation of educational provision to the needs of key sectors were important factors in determining the strengths and weaknesses of each national context.

Working Conditions and Job Stability A key aspect of the analysis was the assessment of working conditions and the stability of jobs available to young people. Aspects such as the prevalence of temporary contracts, employment informality and wage conditions were examined. In several countries, the high temporariness of jobs available to young people was identified as a significant challenge, especially in sectors such as tourism and health (International Labour Organization [ILO], 2023). This assessment provided insight into the constraints faced by young people in accessing stable and quality jobs, and underlined the need for policies that promote the creation of permanent jobs.

Internships and their Impact on Youth Employability An important element in the assessment of job opportunities for young people was the analysis of internships and their impact on the transition to employment. Internships represent a crucial gateway to the labour market for many young people, as they allow them to gain practical experience and develop specific skills. However, the quality and conditions of internships vary considerably between the countries of the network.

In some countries, internships are an effective tool for improving youth employability, thanks to programmes that guarantee fair remuneration and meaningful training experience. This is particularly true in countries such as Germany and Denmark, where dual training and paid internship schemes facilitate a smoother transition to formal employment (OECD, 2023). In these contexts, internships not only provide experience, but also allow young people to establish professional contacts and access permanent jobs at the end of their training.

On the other hand, in countries such as Spain and Greece, traineeships tend to be less regulated, with a prevalence of unpaid traineeships and less linkage to formal employment. This situation may limit the effectiveness of traineeships as a tool for labour market integration, as many young people complete traineeships without a guarantee of subsequent employment (Eurostat, 2023). The lack of adequate remuneration may also limit access to these opportunities for young people from disadvantaged socio-economic backgrounds, thus perpetuating inequalities in access to the labour market.

The analysis of internships in each country allows for the identification of both good practices and areas for improvement in the way these experiences are used to promote the labour market integration of young people. This is essential for designing strategies to ensure that internships are a valuable training experience and that they contribute to a more effective integration of young people into the labour market.

The assessment of economic, sectoral, skills and working conditions factors, together with the analysis of the role of apprenticeships, provides a comprehensive framework for understanding youth labour market dynamics in the *network* countries. This approach allows for the identification of both the strengths and barriers that young people face in accessing employment, providing a solid basis for the design of employment and training policies tailored to the needs of each country.

4. Country-by-country analysis

Analysis of the

European Union

Economic and Employment Review of the European Union

The European Union (EU) is one of the world's most important economic and political entities, composed of 27 Member States sharing a single market and economic and social policies. The EU economy has experienced a moderate recovery from the crisis caused by the COVID-19 pandemic, with Gross Domestic Product (GDP) growth projected at 2.5% by 2024 (European Commission, 2024). However, the EU faces a number of economic challenges, such as high inflation, geopolitical uncertainty and economic disparities between member states.

The labour market in the EU has recovered, with an average unemployment rate of about 6.5% in 2023. However, youth unemployment is a persistent concern, reaching an average of 14% in the region (Eurostat, 2023). These figures point to a number of structural problems in the European labour market, including the disconnection between education and market needs, as well as the high temporariness of many jobs.

Demographics and Profile of Companies/NGOs in the European Union

The EU has a diverse population, made up of different demographic and cultural groups. While the EU is known for its ageing population, it also has a significant number of young people seeking opportunities in the labour market. However, many of these young people face significant challenges, including unemployment, job insecurity and lack of training opportunities (European Commission, 2024).

The business fabric in the EU is mainly composed of small and medium-sized enterprises (SMEs), which account for approximately 99% of all enterprises and are responsible for around 70% of employment in the region (European Commission, 2023). SMEs are essential to the EU economy, as they are central to job creation and innovation. However, many of these enterprises face challenges related to access to finance, red tape and competition in the global market.

NGOs in the EU play an important role in promoting social inclusion and job empowerment. Through training programmes, skills development and support for job creation, these organisations work to improve job opportunities for young people and facilitate their integration into the labour market. Initiatives such as *Erasmus+*, which promotes educational mobility and vocational training, are key to providing young people with relevant international experiences and skills (European Commission, 2024).

Analysis of the Enterprise Sector in the European Union

The business sector in the EU is diverse, with a strong concentration in services, manufacturing and agriculture. The services sector, which includes tourism, trade and financial services, accounts for a significant share of EU GDP. However, the services sector also faces challenges, such as the need to adapt to digitalisation and new market demands (European Commission, 2023).

The manufacturing sector remains a key pillar of the EU economy, with industries such as automotive, machinery and electronics attracting significant investment. However, digitisation and automation are transforming this sector, leading to a growing demand for technical and digital skills (OECD, 2023). The EU's ability to innovate and adapt to these changes is crucial to maintain its competitiveness in the global market.

The agricultural sector, although its share of GDP has declined, remains crucial for food security and sustainability. The EU's Common Agricultural Policy (CAP) has been instrumental in supporting farmers and promoting sustainable agricultural practices, but still faces challenges related to climate change and the need for modernisation (European Commission, 2023).

Labour Market Situation in the European Union

The labour market in the EU is characterised by a relatively low unemployment rate compared to other regions of the world. However, youth unemployment remains a major problem, with significant disparities between member states. While countries such as Germany and the Netherlands enjoy lower youth unemployment rates, others such as Greece and Spain face much greater challenges (Eurostat, 2023).

The disconnect between the education system and the needs of the labour market is a persistent challenge across the EU. Many young people fail to acquire the skills needed to compete in a constantly changing work environment, limiting their employment opportunities. In addition, the high temporariness of contracts and the prevalence of precarious jobs disproportionately affect young people, who often have to accept temporary or low-level jobs (European Commission, 2024).

Regional disparities are also a major challenge in the EU labour market. While the northern and western European economies tend to offer more job opportunities and higher wages, the southern and eastern regions face higher unemployment rates and lower availability of skilled jobs. This has led to internal migration to urban areas and other member states, exacerbating depopulation in certain regions (EU Central Bank, 2024).

Opportunities and Challenges

The European Union (EU) presents several opportunities to improve the integration of young people into the labour market, especially through the promotion of digital skills, innovation in key sectors and the promotion of inclusive employment policies. The digitisation of the European economy has generated a growing demand for skills in areas such as programming, cybersecurity and digital marketing. This provides a platform for young people to train in relevant skills that are essential to compete in a constantly evolving labour market (European Commission, 2023). Initiatives such as the *Digital Europe Programme* are essential to ensure that young people have access to the training they need to meet these challenges.

The technology and innovation sector is another field with great potential for youth job creation. The EU has been encouraging the creation of a startup ecosystem by investing in research and development. Programmes that support the creation of start-ups can provide young people with opportunities to start their own businesses or get involved in innovative projects. In addition, the growth of the renewable energy sector and the green economy offers significant opportunities for young people to enter jobs that promote sustainability and environmental protection (International Energy Agency, 2023).

Tourism, a key sector in many EU economies, also offers opportunities for young people. With the recovery of tourism after the pandemic, there is a push towards more sustainable and responsible tourism, which can generate jobs in areas such as destination management and ecotourism. Initiatives that foster skills development in the tourism sector are essential to prepare young people for these roles (European Commission, 2024).

Despite these opportunities, the EU faces significant challenges in integrating young people into the labour market. High youth unemployment in some Member States, combined with job insecurity and a lack of quality jobs, remains a major problem. Many young people face job insecurity and difficulty in accessing stable and well-paid jobs (Eurostat, 2023). The disconnection between the education system and the needs of the labour market is a persistent challenge, as many young people do not acquire the necessary skills to be competitive in a constantly changing work environment.

Economic and employment disparities between EU member states are another challenge. While some countries enjoy robust economies and low unemployment rates, others face economic crises and significantly higher levels of youth unemployment. This situation has led to the migration of young people from regions with fewer opportunities to those with better job prospects, exacerbating the problem of depopulation in some areas.

Strategic Recommendations

1. **Promote education and training in digital skills**: It is essential to invest in training programmes that prepare young people for jobs in the technology and digital sector. Partnerships between educational institutions, businesses and government organisations can facilitate the development of training programmes that address labour market needs.
2. **Boost innovation and support for start-ups**: The EU should continue to foster the innovation ecosystem and the creation of start-ups through policies that provide funding, mentoring and resources to young entrepreneurs. This can include the development of startup incubators and accelerators to help young people launch their own businesses.
3. **Develop sustainable tourism**: Promoting more sustainable and responsible tourism is key to creating quality jobs in the sector. It is recommended to implement training programmes in sustainable tourism management that prepare young people for roles in the tourism industry, highlighting the importance of preserving the environment and local culture.
4. **Improve youth employment policies**: It is crucial to develop employment policies that specifically address the needs of young people, including incentives for companies to offer open-ended contracts and fair working conditions. This can include subsidies to companies that hire unemployed youth and training programmes that link education with work experience.
5. **Reducing regional disparities**: To mitigate economic disparities between Member States, it is essential to promote investment in disadvantaged regions. This can include infrastructure development, access to finance for local businesses and training programmes tailored to the needs of the labour market in these areas.
6. **Improving coordination between the education system and the labour market**: To ensure that young people are prepared for the labour market, it is essential to foster closer collaboration between governments, businesses and educational institutions. The creation of dialogue platforms that facilitate the identification of market needs and the adaptation of training programmes is essential to reduce the disconnect between education and employment.

Country 1:

Bulgaria

Country Economic and Employment Summary

Bulgaria has experienced sustained economic growth in recent years, with Gross Domestic Product (GDP) projected to grow by 2.5% in 2024, driven by tourism recovery, digitalisation and infrastructure investment, especially in the energy sector (Bulgarian National Bank, 2024). Structural reforms and EU integration have facilitated the attraction of foreign direct investment, which has been key to modernising sectors such as manufacturing and information technology. However, the country faces challenges related to low labour productivity, youth emigration and the need to strengthen its industrial fabric.

The Bulgarian labour market has shown improvements, with the overall unemployment rate hovering around 5% in 2023. However, youth unemployment remains a significant challenge at around 17%, reflecting difficulties in integrating young people into the labour market, especially in rural regions (Eurostat, 2023). These figures indicate that, although progress has been made, barriers to access to quality jobs and stable opportunities for young people persist.

Demographics and Company Profile/NGOs

Bulgaria faces a serious demographic problem, marked by a low birth rate and significant emigration of young people to other EU countries in search of better opportunities. This has led to a decline in the labour force and has affected the country's ability to retain talent, especially in rural areas (Bulgarian National Bank, 2024). The depopulation of some regions has created challenges for local economic development and the provision of basic services, underlining the importance of policies that attract young people back and improve living conditions in these areas.

The Bulgarian business fabric is mainly composed of small and medium-sized enterprises (SMEs), which account for 99.8% of enterprises and generate approximately 75% of employment (European Commission, 2023). These SMEs are particularly relevant in sectors such as manufacturing, tourism and agriculture, although the technology sector has gained significant weight in the last decade. Sofia, the capital, has become a centre of innovation and technology, attracting start-ups and international companies looking to tap into local talent in software development and technology services.

NGOs in Bulgaria play an essential role in training and mentoring young people, especially those from rural and vulnerable communities. Through vocational training and mentoring programmes, these organisations try to improve the employability of young people and facilitate their access to quality jobs. Initiatives such as *Youth Guarantee* and EU programmes have sought to provide training and employment opportunities, although their implementation has been uneven and has faced administrative challenges (Ministry of Labour and Social Policies of Bulgaria, 2023).

Business Sector Analysis

Bulgaria's business sector is diverse, with a strong emphasis on manufacturing, information technology and tourism. Manufacturing has been a key driver of the economy, especially in the production of electronic components and in agro-industry, with regions such as Plovdiv and Varna standing out for their industrial activity (OECD, 2023). Foreign investment has helped modernise these industries, although lack of adequate infrastructure and low labour productivity remain major challenges for the sector.

The technology sector has grown significantly, with Sofia emerging as a hub for innovation and start-ups in Eastern Europe. The city has attracted investment in areas such as artificial intelligence, software development and IT outsourcing (European Commission, 2023). This growth has generated significant demand for digital skills, which represents a significant opportunity for young people interested in technology. However, the skills gap remains an issue, as many companies face difficulties in finding candidates with advanced skills, especially outside the capital.

Tourism, especially summer tourism on the Black Sea coast and mountain tourism in regions such as the Balkans and Rhodope, has been a key pillar of the Bulgarian economy, contributing significantly to GDP and employment (OECD, 2023). The recovery of tourism after the pandemic has been key to employment generation, although seasonality remains a major problem, as many of the jobs generated are temporary and of low stability.

Labour Market Situation

The Bulgarian labour market is characterised by a significant segmentation between employment in urban and rural areas. Sofia and other large cities concentrate most job opportunities in high-skilled sectors, such as technology and financial services. However, many rural regions face higher unemployment rates and lower availability of skilled jobs (Bulgarian Ministry of Labour and Social Policies, 2023). This has led to internal migration of young people to urban areas, exacerbating the depopulation of some rural areas and affecting the sustainability of their local economies.

The Bulgarian education system has made efforts to adapt to the demands of the labour market, with an increasing focus on technical and digital training. However, significant gaps in the quality of vocational training persist, especially in rural regions, limiting young people's ability to integrate into emerging sectors such as technology and energy (European Commission, 2023). In addition, the high temporariness of contracts and the prevalence of unpaid internships disproportionately affect young people, making it difficult for them to access stable jobs.

Opportunities and Challenges

Bulgaria presents several opportunities to improve the integration of young people into the labour market, especially in growing sectors such as information technology, advanced manufacturing and sustainable tourism. The technology sector has experienced accelerated growth in the capital Sofia, which has become a hub for innovation and start-ups in Eastern Europe. Investments in artificial intelligence, software development and outsourcing of IT services have generated a high demand for digital skills (European Commission, 2023). This has created a favourable environment for young people interested in technology careers. However, the skills gap remains a challenge, as many companies struggle to find candidates with the necessary advanced skills, underlining the need to improve educational provision in these areas, especially outside the capital.

The manufacturing sector, especially the production of electronic components and agribusiness, continues to be an engine of growth for the Bulgarian economy. Foreign investments in modernisation of production plants have created employment opportunities in regions such as Plovdiv and Varna (OECD, 2023). This sector offers jobs for young people with technical training and skills in industrial automation, making it a key area for youth labour market integration. However, relatively low productivity and the need to improve transport and logistics infrastructure limit the sector's growth, requiring additional investments in modernisation and specialised training.

Tourism remains a key part of the Bulgarian economy, especially on the Black Sea coast and in mountainous regions such as the Balkans and Rhodope. The recovery of tourism after the pandemic has been a key factor for employment generation, especially in sectors such as hotels, catering and adventure tourism (OECD, 2023). Despite this, the high seasonality of tourism limits the creation of stable, long-term jobs for young people, affecting the economic stability of many local communities. Diversification towards more sustainable tourism that is less dependent on the high season could improve the quality of jobs and reduce seasonality.

Despite these opportunities, Bulgaria faces significant challenges affecting the integration of young people into the labour market. The high temporariness of contracts and the prevalence of unpaid internships disproportionately affect young people, who often have to accept temporary jobs before they can access stable positions. This phenomenon is particularly problematic in sectors such as hospitality and commerce, where staff turnover is high (Bulgarian Ministry of Labour and Social Policies, 2023).

Regional disparities are another significant challenge for the Bulgarian labour market. While Sofia and some other large cities concentrate most employment opportunities in high-skilled sectors, many rural regions face lower availability of skilled jobs and significantly higher unemployment rates (Bulgarian National Bank, 2024). This has led to internal migration of young people to cities, which has aggravated the depopulation of some rural areas and affected the sustainability of local economies.

Strategic Recommendations

1. **Strengthen training in digital and technological skills**: Given the growth of the technology sector in Bulgaria, it is essential to improve the supply of training programmes in areas such as programming, cybersecurity and artificial intelligence. It is recommended to encourage collaboration between universities, vocational training centres and technology companies to develop dual training programmes that combine theory with practical experience in companies in the sector. This could facilitate the integration of young people into an expanding technology market.
2. **Modernise the manufacturing sector and improve productivity**: To fully exploit the opportunities in manufacturing, it is essential to encourage the modernisation of production plants through the adoption of advanced technologies and the digitisation of processes. This can include tax incentives for companies investing in automation and energy efficiency, as well as specialised training programmes to prepare young people to work in an advanced manufacturing environment.
3. **Promote sustainable and diversified tourism**: Diversification of the tourism sector towards more sustainable modes, such as ecotourism and cultural tourism, can contribute to the creation of more stable and higher quality jobs in coastal and mountain regions. The implementation of training programmes in sustainable tourism management is recommended, as well as the promotion of lesser-known destinations throughout the year, which could help to reduce the seasonality of employment in the sector.
4. **Reducing temporariness and improving job stability for young people**: It is suggested that tax incentives be implemented for companies that convert temporary contracts into permanent ones, as well as the regulation of internships to ensure that they are remunerated and offer a quality training experience. This would contribute to a better transition of young people into stable jobs and to greater equity in the labour market.

5. **Encourage investment in less developed regions to reduce disparities**: To mitigate regional inequalities, it is crucial to promote the attraction of investment to rural and less developed regions. This could include tax incentives for companies setting up in these areas, as well as the development of digital infrastructure to facilitate the expansion of the local economy. Encouraging youth entrepreneurship in sectors such as agribusiness and the circular economy can also be key to boosting these regions.
6. **Improve coordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. It is recommended that dialogue platforms be created to facilitate the design of training programmes tailored to the needs of strategic sectors such as technology, advanced manufacturing and sustainable tourism, allowing for a more efficient integration of young people into the labour market.

Country 2:

Cyprus

Country Economic and Employment Summary

Cyprus is an island in the Mediterranean that has experienced solid economic growth in recent years. Its Gross Domestic Product (GDP) is expected to grow by 3.0% in 2024, driven by the recovery of the tourism sector, infrastructure investment and economic diversification (Central Bank of Cyprus, 2024). Despite its small size, Cyprus has managed to establish itself as a financial and commercial centre in the region, although it also faces challenges, such as high youth unemployment and dependence on tourism.

The unemployment rate in Cyprus has remained at around 6.5% in 2023, but youth unemployment is a significant problem, reaching approximately 16% (Eurostat, 2023). This situation reflects the disconnect between the education system and the needs of the labour market, as well as limitations in the supply of quality jobs for young people.

Demographics and Company Profile/NGOs

Cyprus has a relatively young population, which represents an opportunity for economic development. However, the emigration of young people in search of better job opportunities abroad has generated a brain drain, affecting the country's ability to make use of its human capital. This trend has been exacerbated by the economic crisis of 2013, which led many young people to seek employment in other EU countries (Central Bank of Cyprus, 2024).

The Cypriot business fabric is mainly composed of small and medium-sized enterprises (SMEs), which account for more than 99% of businesses and are responsible for around 70% of employment (European Commission, 2023). SMEs are essential to the country's economy, especially in sectors such as tourism, construction and services. However, these enterprises often face challenges related to access to finance, bureaucracy and market competition.

NGOs in Cyprus play an important role in promoting social inclusion and empowerment of young people. Through vocational training programmes, skills development and support for job creation, these organisations work to improve employment opportunities for young people and facilitate their integration into the labour market. Initiatives such as the *Youth Employment Initiative* aim to provide training and employment for unemployed youth, although their impact may be limited due to lack of resources (Cyprus Ministry of Labour, Welfare and Social Protection, 2023).

Business Sector Analysis

Cyprus' business sector is characterised by its heavy dependence on tourism, which accounts for a significant share of GDP and employment. The island attracts tourists for its climate, beaches and cultural heritage, which has led to a growth in investment in tourism infrastructure and related services. However, the high seasonality of tourism can result in a precarious labour supply, with many temporary jobs and low wages, affecting the economic stability of young people (European Commission, 2023).

The construction sector has been a key pillar of the Cypriot economy, especially after the economic crisis of 2013. The recovery of the real estate market and investment in infrastructure have created employment opportunities in this sector. However, reliance on construction can make the economy vulnerable to market fluctuations, highlighting the need for diversification and economic resilience.

The services sector, which includes education, health and financial services, is also crucial to Cyprus' economy. Investment in infrastructure and human resource training is key to improving the quality of services and facilitating economic growth. However, lack of investment in certain sectors has limited employment and development opportunities.

Labour Market Situation

The Cypriot labour market is characterised by a high rate of youth unemployment, reflecting the disconnect between educational attainment and market needs. Many young people fail to acquire the skills needed to compete in a constantly changing labour environment, limiting their employment opportunities (Cyprus Ministry of Labour, Welfare and Social Protection, 2023). The high temporariness of contracts and the prevalence of precarious jobs disproportionately affect young people, who often have to accept temporary or low-level jobs.

The digitisation of the Cypriot economy has generated a growing demand for digital skills, leading to an increase in the supply of training programmes in areas such as programming and digital marketing. However, the skills gap remains an issue, as many firms struggle to find candidates with advanced skills (OECD, 2023). This highlights the need to improve educational provision in these areas and ensure that all young people, especially those from disadvantaged backgrounds, have access to training.

Regional disparities also affect the labour market in Cyprus. While Nicosia and other large cities offer more employment opportunities, rural areas face lower availability of skilled jobs and higher unemployment rates. This has led to internal migration to urban areas, exacerbating depopulation in certain parts of the island and affecting the sustainability of local communities (Central Bank of Cyprus, 2024).

Opportunities and Challenges

Cyprus presents several opportunities to improve the integration of young people into the labour market, particularly through the development of digital skills, economic diversification and the promotion of sustainable tourism. The technology sector is growing, driven by demand for digital solutions and a favourable environment for start-ups. This growth presents a significant opportunity for young people to acquire relevant skills in areas such as software development, cybersecurity and data analytics. The creation of training programmes in partnership with technology companies can facilitate young people's access to these emerging jobs (European Commission, 2023).

Tourism, a vital sector for the Cypriot economy, also offers opportunities for the creation of stable jobs for young people. As the country recovers from the effects of the pandemic, tourism demand is expected to increase. The promotion of sustainable and responsible tourism can attract an aware and engaged public, generating jobs in related sectors such as hospitality, ecotourism and cultural management (International Energy Agency, 2023). In addition, investment in tourism infrastructure and improving the quality of services are key to maximising opportunities in this sector.

Diversification of the economy into alternative sectors, such as sustainable agriculture and technology, is crucial to mitigate dependence on tourism. Local and sustainable food production can contribute to food security and generate new job opportunities for young people. Initiatives that promote organic farming and investment in agricultural technology can be particularly beneficial for the development of the sector (Cyprus Ministry of Labour, Welfare and Social Protection, 2023).

Despite these opportunities, Cyprus faces several challenges in integrating young people into the labour market. The disconnect between the education system and the needs of the market is a persistent problem, with many young people failing to acquire the skills needed to compete in a constantly evolving labour market environment. This underlines the need to adapt education and training programmes to the demands of the labour market (OECD, 2023).

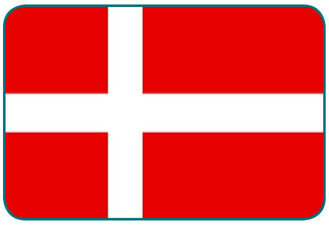
The high seasonality of many jobs in the tourism sector and the informality of employment disproportionately affect young people, who often have to accept low-level and temporary jobs, limiting their ability to establish themselves economically. In addition, regional disparities in access to educational and employment opportunities further complicate the situation, with urban areas concentrating the majority of opportunities compared to rural regions.

Strategic Recommendations

1. **Strengthen training in digital and technical skills**: Given the growing demand for digital skills, it is essential to invest in training programmes that prepare young people for jobs in the technology sector. Fostering partnerships between universities, training centres and companies can facilitate the creation of programmes that integrate theory and practice, improving the employability of young people.
2. **Promote sustainable tourism**: To capitalise on the potential of tourism, it is recommended to develop sustainable tourism management training programmes that prepare young people for roles in the tourism industry. This includes the promotion of responsible tourism practices that respect the environment and local culture, attracting a sustainability-conscious public.
3. **Promote agricultural diversification**: To improve economic sustainability and create new employment opportunities, it is suggested to promote sustainable agriculture and local food production. Implementing initiatives that support organic farming and investment in modern technologies can provide young people with new job opportunities.
4. **Reduce temporariness and improve job stability**: To address the high temporariness of employment, it is suggested to implement policies that encourage companies to offer permanent contracts to young people. In addition, it is essential to regulate

internships to ensure that they are remunerated and provide meaningful training experience.

5. **Encourage investment in infrastructure and training**: To mitigate disparities in access to employment and training, it is essential to invest in improving infrastructure in rural areas and in the creation of training centres that offer courses adapted to market needs. This will help retain young people in their communities and improve their quality of life.
6. **Improve coordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. Creating platforms for dialogue to facilitate the design of training programmes tailored to the needs of strategic sectors such as tourism, agriculture and technology is key to ensuring that young people are prepared for the labour market.



Country 3:

Denmark

Country Economic and Employment Summary

Denmark is one of the most stable and advanced economies in Europe, characterised by a strong focus on sustainability and digitalisation. Denmark's Gross Domestic Product (GDP) is expected to grow by 1.5% in 2024, driven by investment in technology, the pharmaceutical industry and the transition to a green economy (Danmarks Nationalbank, 2024). Denmark has managed to maintain one of the lowest unemployment rates in Europe, standing at 4.4% in 2023, although youth unemployment remains at around 9%, highlighting some challenges in integrating young people into the labour market (Eurostat, 2023).

The Danish welfare system, based on the Scandinavian model, offers a strong social safety net that facilitates the transition of young people from education to employment. Despite this, some groups of young people, especially those with lower levels of education or from migrant backgrounds, face difficulties in accessing stable employment opportunities, which is reflected in labour market segmentation.

Demographics and Profile of Companies/NGOs

Denmark, with a stable population and high life expectancy, is facing an ageing process that has put increasing pressure on its welfare system. This phenomenon has increased the demand for professionals in sectors such as health and care, opening up job opportunities for young people in areas related to elderly care (Danmarks Nationalbank, 2024). However, the low birth rate and the need to rejuvenate the workforce have led Denmark to implement policies to attract skilled migrants and encourage lifelong learning.

The Danish business fabric is made up of a combination of large multinationals and a robust network of small and medium-sized enterprises (SMEs), which account for 99% of businesses and generate 65% of employment (European Commission, 2023). Denmark has excelled in sectors such as biotechnology, renewable energy and information technology, which has enabled the country to position itself as a leader in green innovation. Large companies, such as Novo Nordisk and Vestas, play a key role in exporting and generating high-skilled employment.

NGOs in Denmark play an important role in promoting the social inclusion and training of young people, especially those in vulnerable situations. Through partnerships with the government and the private sector, these organisations develop mentoring, job orientation and practical training programmes that facilitate the transition of young people into the labour market. Initiatives such as the *Youth Employment Initiative* aim to improve the integration of young people into the labour market by focusing on the acquisition of practical skills and improving employability (Danish Ministry of Employment, 2023).

Business Sector Analysis

Denmark's business sector is characterised by high competitiveness and a commitment to sustainability. Large multinationals, especially in pharmaceuticals and green technology, have been key to the country's economy, generating high-skilled jobs and leading innovation in their respective fields (OECD, 2023). The pharmaceutical sector, with companies such as Novo Nordisk, has established itself as one of the pillars of the Danish economy, offering employment opportunities for young people with a background in biotechnology and life sciences.

The renewable energy sector is another important growth driver in Denmark. The country has been a pioneer in the expansion of wind energy, both onshore and offshore, with Vestas leading innovation in this area. The energy transition has generated employment opportunities in the installation, operation and maintenance of wind farms, as well as in the development of new energy storage and efficiency technologies (International Energy

Agency, 2023). These opportunities are particularly relevant in coastal regions, where offshore wind energy projects are concentrated.

The Danish tech sector has also experienced remarkable growth, with Copenhagen positioning itself as a centre for digital innovation. Tech start-ups have grown in areas such as artificial intelligence, automation and health technology, creating opportunities for young people in software development and advanced technological solutions (European Commission, 2023). However, the rapid evolution of these technologies has led to a growing demand for advanced digital skills, highlighting the need to strengthen training in these areas.

Labour Market Situation

The Danish labour market is known for its flexibility, facilitated by a *flexicurity* model that combines labour market flexibility with a strong social safety net. This allows companies to quickly adapt their workforce to economic fluctuations, while workers, including young people, are supported during transitional periods between jobs (Danish Ministry of Employment, 2023). This model has contributed to maintaining low levels of unemployment, although some young people face difficulties in finding permanent jobs in high-demand sectors.

The digitisation of the labour market has generated a growing demand for technological skills, leading to an increase in the supply of training programmes in areas such as cybersecurity, programming and artificial intelligence. However, the skills gap remains a challenge, as many firms struggle to find candidates with the necessary skills to fill these positions (OECD, 2023). Moreover, although Denmark has made efforts to integrate young migrants into the labour market, significant disparities in employment rates persist between young people of Danish and migrant origin.

In regional terms, Denmark has differences in the availability of job opportunities between Copenhagen and other smaller cities or rural areas. While the capital concentrates the majority of high-skilled jobs, rural areas offer opportunities in sectors such as sustainable agriculture and renewable energy, but often face difficulties in attracting and retaining young people due to a lack of adequate services and infrastructure (Danmarks Nationalbank, 2024).

Opportunities and Challenges

Denmark offers a favourable environment for the integration of young people into the labour market, especially in growth sectors such as technology, pharmaceuticals and renewable energy. The country's commitment to sustainability has enabled the transition to a green economy to become an engine of economic growth, generating jobs both in the installation of energy infrastructure and in the research and development of new technologies. The expansion of wind energy, led by companies such as Vestas, has created job opportunities in coastal and rural regions, helping to diversify the economies of these areas (International Energy Agency, 2023). These opportunities are particularly relevant for young people interested in developing sustainable solutions and maintaining energy facilities.

Denmark's technology sector, mainly concentrated in Copenhagen, has grown rapidly, creating a dynamic environment for start-ups and software companies. This growth has boosted demand for advanced digital skills, providing employment opportunities for young people specialising in areas such as artificial intelligence, cybersecurity and app development (European Commission, 2023). Policies to support entrepreneurship and technological innovation have facilitated the creation of new companies, providing young people with an environment conducive to developing their own projects and entering the labour market.

The pharmaceutical sector, with leading companies such as Novo Nordisk, remains an important pillar of the Danish economy, offering employment opportunities in research and production of innovative medicines. The sector is in demand for young people qualified in biotechnology, chemistry and other life sciences, contributing to the formation of a highly specialised and highly skilled labour market. However, access to these jobs requires advanced training and specific skills that not all young people possess (OECD, 2023).

Despite these opportunities, Denmark faces significant challenges in integrating certain groups of young people into the labour market. Youth unemployment, although moderate, remains higher than the national average, reflecting difficulties in accessing permanent and well-paid jobs, especially among young people with lower levels of education. In addition, labour market segmentation particularly affects young people with a migrant background, who face language and cultural barriers that make it difficult for them to enter formal employment (Danish Ministry of Employment, 2023).

The accelerating digitalisation of the Danish economy has created a skills gap, with increasing demand for technological skills outstripping the supply of qualified candidates. This highlights the need to adapt vocational training and higher education to new market requirements, especially in areas such as programming and automation (OECD, 2023). Moreover, while Denmark has made efforts to promote regional development, rural areas and some smaller cities continue to face difficulties in retaining young people, who tend to migrate to Copenhagen in search of better opportunities.

Strategic Recommendations

1. **Strengthen training in digital and green skills**: Given the growth of digitalisation and the transition to clean energy, it is essential to strengthen training in these areas. Dual training programmes that combine academic education with practical experience in technology and renewable energy companies are recommended. This can include closer collaboration between universities, vocational schools and companies, making it easier for young people to acquire the necessary skills to enter these sectors.
2. **Promote the integration of young migrants through specific programmes**: To improve the integration of young people with a migrant background, it is suggested to expand language and cultural training programmes, combined with vocational training adapted to the needs of the Danish labour market. These programmes should be aimed at facilitating access to stable jobs and improving opportunities for further training, reducing the barriers that limit the employability of this group.
3. **Encourage the attraction of young people to rural areas**: To reduce regional disparities, it is recommended that incentives are created to promote the establishment of businesses in rural areas, as well as support for youth entrepreneurship in these regions. This can include tax incentives for businesses that generate local employment and the improvement of digital infrastructure in rural areas, such as high-speed internet access, to facilitate remote working and the development of new business opportunities.
4. **Support youth entrepreneurship in technology and biotechnology**: The start-up ecosystem in Denmark offers a favourable environment for young people to develop their own projects. The creation of youth-specific business incubators and accelerators with access to funding and mentoring in areas such as biotechnology and digital technologies is recommended. This would help diversify the economy and increase the creation of skilled jobs in high-demand sectors.
5. **Improve coordination between the education system and the needs of the market**: It is essential that education and vocational training are aligned with the current needs of the labour market. We suggest the creation of collaborative platforms between the public sector, companies and educational institutions to design training programmes adapted to the demand for digital and sustainable skills, facilitating a faster integration of young people into the market.
6. **Promote lifelong learning and retraining**: Given rapidly changing technological and sustainability needs, it is essential to promote lifelong learning for young people already in the labour market. This can include subsidies for specialisation courses in high-demand areas and retraining programmes that facilitate the transition to growth sectors such as clean energy and biotechnology.

Country 4:

France

Country Economic and Employment Summary

France, the second largest economy in the Eurozone, has shown a sustained recovery from the impact of the COVID-19 pandemic, with projected Gross Domestic Product (GDP) growth of approximately 1.8% by 2024, supported by public investment and the resilience of key sectors such as manufacturing, financial services and tourism (Bank of France, 2024). This recovery has been driven by the *France Relance* recovery plan, which has channelled European funds into green transition and digitalisation, thus promoting the country's economic modernisation.

Youth unemployment remains a challenge, with a rate of around 16%, significantly higher than the overall unemployment rate of 7.5% (Eurostat, 2023). This gap reflects the difficulties for young people to access stable and quality jobs, especially those in situations of socio-economic vulnerability or lacking advanced professional qualifications.

Demographics and Profile of Companies/NGOs

France faces a significant demographic challenge due to its ageing population, which has increased pressure on the pension system and led to a growing demand for care services for the elderly. However, the youth population remains sizeable compared to other European countries, providing potential for the labour market if employment policies can be aligned with the needs of this cohort (Banque de France, 2023).

The French business fabric is characterised by a mix of large multinational corporations and a strong network of small and medium-sized enterprises (SMEs), which account for approximately 99% of all firms and generate more than 60% of employment (European Commission, 2023). SMEs play a major role in sectors such as manufacturing, retail and agriculture, while large companies dominate industries such as aerospace, automotive and IT. Innovation and research are also important pillars of the French economy, supported by a network of leading higher education institutions and research centres.

French NGOs play a crucial role in the social integration and training of young people, especially those from disadvantaged backgrounds. Through partnerships with government and the private sector, these organisations develop training and mentoring programmes, facilitating the acquisition of practical skills and the transition to employment. Initiatives such as the National Civic Service allow young people to gain experience in social and community projects, enhancing their employability (Ministère de l'Éducation Nationale et de la Jeunesse, 2023).

Business Sector Analysis

The business sector in France has shown a great capacity to adapt to global economic changes, with a focus on innovation and digital transition. Large French multinationals, such as Airbus, TotalEnergies and Renault, have played an important role in attracting investment and generating employment, not only in France but also in their global networks. These sectors, especially aerospace and energy, have benefited from policies supporting research and the development of clean technologies, which have favoured the creation of new jobs (OECD, 2023).

The technology sector has grown significantly, with the city of Paris positioning itself as an important start-up hub in Europe. The *La French Tech* initiative has promoted the development of start-ups in areas such as artificial intelligence, cybersecurity and financial technologies (fintech), creating employment opportunities for skilled young people (European Commission, 2023). However, the digital skills gap remains a challenge, as many companies struggle to find the right talent to fill vacancies in these emerging sectors.

The renewable energy sector has been another driver of growth, with investments in wind and solar power enabling France to move towards its sustainability goals. This sector has generated jobs in the installation and maintenance of energy infrastructure in both urban and rural areas. However, the pace of the energy transition has been slower than expected, limiting the full impact on job creation in some regions of the country (Bank of France, 2023).

Labour Market Situation

The French labour market is characterised by segmentation, with a strong duality between permanent and temporary contracts. This segmentation particularly affects young people, who often face temporary jobs, internships or short-term contracts before being able to access a stable position. Although labour market reforms have sought to make the labour market more flexible, the results have been mixed, with job creation improving, but precariousness persisting among the youngest (French Ministry of Labour, 2023).

The education and vocational training system has been a priority for the French government, with the aim of reducing the gap between the skills of young people and the needs of the market. Dual training programmes and technological universities have played a key role in preparing young people for high-demand sectors such as technology and energy. However, there is still a disconnect between the training received and employers' expectations, especially in rural areas and in traditional industrial sectors.

Youth unemployment in France is also influenced by regional disparities, with higher unemployment rates in regions such as Hauts-de-France and Provence-Alpes-Côte d'Azur, which have been affected by deindustrialisation. In contrast, the Ile-de-France region, which includes Paris, concentrates most job opportunities, which has led to internal migration that exacerbates territorial differences. The government has attempted to address these disparities through regional development policies and incentives for business relocation, but the impact has so far been limited (OECD, 2023).

Opportunities and Challenges

France presents a number of opportunities to improve the integration of young people into the labour market, especially in sectors that are undergoing expansion and transformation. Digitalisation and technological innovation have been areas of significant growth, particularly in Paris and other major cities such as Lyon and Toulouse. The start-up ecosystem, driven by the *La French Tech* initiative, has created a favourable environment for entrepreneurship and the hiring of young people with skills in software development, artificial intelligence and fintech (European Commission, 2023). However, to take full advantage of these opportunities, it is crucial to close the digital skills gap through training that is better aligned to market needs.

The renewable energy sector also offers significant growth prospects. France is committed to European emission reduction targets and has invested in clean energy such as wind and solar. This has generated a demand for young skilled workers for the installation and maintenance of these infrastructures, which is particularly relevant in rural regions seeking to diversify their economy (Bank of France, 2023). However, the energy transition faces regulatory and planning challenges that have slowed down the deployment of projects and thus job creation in some territories.

Sustainable tourism and the green economy in general also represent an opportunity for youth job creation, especially in regions with a high tourist attractiveness such as the French Riviera and the Alps. France has promoted the development of more environmentally friendly tourism, which could translate into jobs in areas such as environmental management, rural tourism promotion and ecotourism (OECD, 2023). However, the seasonality of tourism remains an obstacle to the creation of permanent and well-paid jobs, limiting the options for young people in this sector.

Despite these opportunities, the French labour market faces structural challenges that hinder the full integration of young people. The segmentation of the labour market, characterised by a high proportion of temporary contracts and internships, affects the stability of youth employment. Many young people spend long periods in low-paid internships before accessing a stable position, which reduces their ability to plan for the long term and achieve economic independence (French Ministry of Labour, 2023).

Regional disparity is another major challenge. While Ile-de-France offers numerous job opportunities, other regions that were once industrial centres, such as Hauts-de-France, face significantly higher unemployment rates. This has led to internal migration that accentuates territorial differences, leaving some areas without enough young people to revitalise their local economies (Banque de France, 2023). The lack of sufficient incentives for businesses to settle in these areas has limited the impact of regional development policies.

Strategic Recommendations

1. **Strengthen training in digital skills and renewable energy**: Given the growth potential in these sectors, it is essential to improve the supply of vocational and technical training in areas such as programming, cybersecurity and clean energy project management. Collaboration between educational institutions, technology companies and the renewable energy sector can facilitate dual training programmes that prepare young people for the jobs of the future.
2. **Promote the conversion of temporary contracts into permanent jobs**: To reduce job insecurity among young people, it is recommended that tax incentives be implemented for companies that convert internships and temporary contracts into permanent contracts. This could include bonuses for companies that provide additional training and mentoring to young people during the transition process towards permanent jobs.
3. **Develop a sustainable tourism strategy that offers stable employment**: The potential of sustainable tourism to create jobs in rural areas and tourist regions needs to be better exploited. A national strategy is recommended that supports the diversification of the tourism offer, focusing on the development of year-round tourism activities, such as cultural tourism, ecotourism and rural experiences. This could help to reduce the seasonality of employment in the sector and provide more stable job options for young people.
4. **Support youth entrepreneurship**: The expansion of the start-up ecosystem in France presents an opportunity to foster entrepreneurship among young people. The creation of programmes to support new entrepreneurs, with access to finance and business advice, is recommended, especially in less developed regions. This could include business incubators and mentoring programmes that connect young entrepreneurs with industry experts.

5. **Encourage relocation of firms to regions with high unemployment**: To reduce regional disparities, France could develop incentive programmes that attract firms to regions with higher unemployment rates, such as Hauts-de-France. This could include tax exemptions for companies setting up operations in these areas and training programmes to adapt the local population to the needs of the new industries to be set up.
6. **Strengthen collaborative networks between NGOs, the public sector and business**: NGOs can play a crucial role in the labour market integration of young people, especially those from disadvantaged backgrounds. It is recommended to promote the creation of working groups that include these actors to develop training and mentoring programmes that are aligned with the needs of the labour market, facilitating the transition of young people from education to employment.

Country 5:

Germany

Country Economic and Employment Summary

Germany, Europe's largest economy, has shown a strong recovery from the economic impacts of the COVID-19 pandemic, although it faces challenges from the energy crisis and the global slowdown. Gross Domestic Product (GDP) growth is projected at 1.3% by 2024, driven by the automotive industry, digitalisation and investment in renewable energy (Bundesbank, 2024). Energy transition policies, known as the *Energiewende*, have been an important driver for attracting investment and fostering the development of new clean technologies.

The unemployment rate in Germany remains low compared to other European countries, standing at 3.8% in 2023. However, youth unemployment, although moderate compared to the European average, reaches 6.6% (Eurostat, 2023). This figure reflects the capacity of the German market to absorb young people through a robust dual training system, although gaps remain in the inclusion of certain groups, such as migrants and those who do not complete secondary education.

Demographics and Company Profile/NGOs

Germany faces a major demographic challenge due to its ageing population, which has increased the need to attract and retain skilled young people to maintain the economy's productivity and competitiveness. Low birth rates and the retirement of a large part of the labour force have put additional pressure on the labour market, especially in sectors such as manufacturing, health and technology (Bundesbank, 2024). This phenomenon has led to the implementation of policies to attract skilled migrants and lifelong learning programmes for young workers.

The German business fabric is diverse, with a strong presence of large multinationals and industrial conglomerates, as well as a strong network of small and medium-sized enterprises (SMEs), known as the *Mittelstand*. These SMEs, which account for 99% of the business fabric and generate approximately 60% of employment, are the engine of the German economy, especially in sectors such as mechanical engineering, automotive and technology (European Commission, 2023). Their ability to innovate and adapt to technological change has been key to maintaining the country's competitiveness.

NGOs in Germany play an important role in social and labour integration, especially in the training and orientation of young migrants. These organisations collaborate with the government in the implementation of integration programmes, offering language courses, vocational training and job orientation. Initiatives such as the *Integration durch Bildung* programme aim to facilitate the integration of young people into the labour market, ensuring that they have access to quality employment opportunities (BMAS, 2023).

Business Sector Analysis

The German business sector is characterised by its high competitiveness and innovative capacity, led by large industrial conglomerates such as Volkswagen, Siemens and BASF. The automotive industry remains one of the pillars of the economy, although it is facing a transition to electric mobility that has led to significant restructuring. This transition has created both opportunities and challenges for youth employment, as the demand for new skills related to electromobility and digitalisation has transformed training needs (OECD, 2023).

The technology sector has gained prominence in Germany, with Berlin establishing itself as a hub for innovation and start-ups in Europe. The focus on artificial intelligence, industrial automation and cybersecurity has created an environment conducive to the creation of skilled jobs. However, many companies face difficulties in finding professionals with the necessary advanced digital skills, highlighting the importance of improving training in these areas (European Commission, 2023).

The renewable energy sector, driven by the *Energiewende* strategy, has been another growth driver. The expansion of wind and solar energy, as well as the development of hydrogen technologies, has generated employment opportunities in the installation, operation and maintenance of energy infrastructure. These opportunities are particularly relevant in regions seeking to diversify their economy, such as northern Germany, where offshore wind has created new jobs (International Energy Agency, 2023). However, the energy transition also faces infrastructure challenges and the need for increased investment in distribution networks.

Labour Market Situation

The German labour market is characterised by low unemployment and a dual training system that facilitates the transition of young people from education to employment. This system combines academic training in educational institutions with internships in companies, allowing young people to gain practical experience and adapt to the demands of the labour market (BMAS, 2023). This model has been particularly effective in industrial and technological sectors, where the need for skilled workers is high.

Despite the strengths of the system, challenges remain in integrating certain groups of young people, especially those who do not complete secondary education and migrants. Although integration policies have improved over the last decade, there is still a gap in employment rates between young people with a migrant background and the local population. In addition, the accelerating digitisation of the economy has generated a growing demand for advanced technological skills, highlighting the need for more training in areas such as programming and automation (OECD, 2023).

Another significant challenge is the regionalisation of the labour market, with marked differences between eastern and western Germany. While regions such as Bavaria and Baden-Württemberg enjoy a dynamic labour market and very low unemployment rates, other areas such as Saxony-Anhalt and Mecklenburg-Western Pomerania still face challenges stemming from deindustrialisation and a lower presence of emerging sectors. Regional development policies have sought to address these disparities, but attracting skilled young people to these regions remains a challenge (Bundesbank, 2024).

Opportunities and Challenges

Germany presents a significant set of opportunities to improve the integration of young people into its labour market, especially in strategic sectors such as technology, industry and renewable energy. The transition towards electric mobility and the digitalisation of the automotive industry has generated a growing demand for young professionals with skills in software development, electrical engineering and data analysis. The adaptation of the automotive industry to electromobility and autonomous driving technologies requires a new generation of skilled workers who can lead this transformation (OECD, 2023). However, the speed of this transition also poses challenges, such as the need for continuous training to upgrade the skills of the existing workforce.

The renewable energy sector, driven by the *Energiewende* strategy, remains a key growth driver for the German economy. The expansion of wind energy, both onshore and offshore, and the development of hydrogen technologies have created employment opportunities, especially in regions in the north of the country, where offshore wind investments are concentrated (International Energy Agency, 2023). Demand for skilled technicians and engineers has increased, opening up opportunities for young people to enter this growing sector. However, the energy transition faces barriers, such as the need to upgrade grid infrastructure and improve technical training in these areas.

The rise of technology and innovation has established Berlin and other cities as hubs for tech start-ups and companies. Artificial intelligence, cybersecurity and industrial automation are high-demand areas that offer well-paid employment opportunities for young people (European Commission, 2023). Programmes such as *Digitalpakt* have supported the digitisation of schools and training centres, which has helped to better prepare young people for the challenges of the modern labour market. However, the digital skills gap remains a challenge, with many companies reporting difficulties in finding qualified talent in these areas.

Despite these opportunities, Germany faces structural challenges that limit the full exploitation of its youth potential. An ageing population and the retirement of a large part of the labour force are creating a market gap, especially in sectors where experience is key, such as engineering and advanced manufacturing (Bundesbank, 2024). Low birth rates complicate the sustainability of the pension system and increase pressure to attract migrant workers, which in turn poses integration challenges.

Labour market segmentation and the lack of integration of young migrants are other relevant obstacles. Although the dual training system has been effective for most young people, those who do not complete secondary education or face language barriers have difficulties in accessing stable jobs (BMAS, 2023). Regional disparities also remain an issue, with a notable difference between the opportunities available in the industrialised regions of the south and west, compared to the east of the country, which still faces the effects of deindustrialisation.

Strategic Recommendations

1. **Strengthen training in digital skills and electromobility**: Given the central role of digitalisation and the transition to electric mobility, it is crucial to strengthen the supply of training programmes in areas such as programming, automation and management of clean energy systems. Closer collaboration between universities, vocational training centres and companies in the automotive sector is recommended to develop dual training programmes adapted to new technologies.

2. **Boost talent attraction in the renewable energy sector**: To maximise opportunities in the clean energy sector, it is suggested to create incentives for young people to specialise in renewable energy and hydrogen technology. This could include scholarship programmes and further training, as well as mentoring initiatives in collaboration with companies in the sector. In addition, it is recommended to encourage the creation of paid internship programmes that allow young people to gain hands-on experience in renewable energy projects.
3. **Promote the integration of young migrants through specific training**: Given the demographic challenge, it is crucial to improve the integration of young people with a migrant background through language and vocational training programmes. It is recommended to expand job orientation and mentoring initiatives for this group, facilitating their access to the dual training system and to employment opportunities in high-demand sectors.
4. **Support the relocation of companies to less developed regions**: To reduce regional disparities, it is suggested that tax incentives be created for companies that decide to set up operations in Germany's eastern regions. This could include tax exemptions and support for the creation of infrastructure needed to facilitate business growth. In addition, the development of specific training programmes for these areas, tailored to the needs of local businesses, is recommended.
5. **Strengthening career guidance and lifelong learning**: With rapid technological change, it is essential that young people are able to update their skills throughout their working lives. It is recommended to strengthen the provision of lifelong learning through public and private programmes, enabling workers to adapt their skills to the changing needs of the market. This is particularly relevant in sectors such as artificial intelligence and cybersecurity, where the skills required are evolving rapidly.
6. **Encourage public-private partnerships in vocational training**: Co-operation between government, business and NGOs is essential to ensure that the training provided is aligned with the needs of the labour market. The creation of regional collaborative networks is recommended to enable businesses to actively participate in the design of training programmes and in the creation of internship opportunities for young people.

Country 6:

Greece

Country Economic and Employment Summary

Greece has experienced a slow economic recovery after a decade of financial crisis, exacerbated by the effects of the COVID-19 pandemic. Gross Domestic Product (GDP) growth is projected at 2.3% by 2024, driven mainly by tourism, the shipping industry and the renewable energy sector (Bank of Greece, 2024). Despite this recovery, the Greek economy still faces major challenges, including a public debt of 168% of GDP, the highest in the Eurozone, which limits the country's ability to implement economic stimulus policies (European Commission, 2024).

Unemployment, although showing a reduction, remains a significant concern, with an overall rate of 10.8% in 2023 and youth unemployment close to 24%, above the EU average (Eurostat, 2023). These rates reflect an economy that, although recovering, still faces structural difficulties in creating stable employment, especially for the younger population.

Demographics and Company Profile/NGOs

Greece's population is ageing rapidly, which has led to an imbalance in the labour force and increased pressure on the social security system. Low birth rates and the emigration of young people to other European countries in search of better opportunities have contributed to this situation, affecting the availability of young talent in the labour market (Eurostat, 2023). Rural areas and Greek islands are particularly vulnerable, as they face a shrinking labour force and a reduction in basic services due to depopulation.

The Greek business fabric is mostly composed of micro and small enterprises, which account for more than 95% of enterprises and employ approximately 85% of the labour force (European Commission, 2023). These enterprises are often family-run and operate mainly in sectors such as tourism, retail and agriculture. However, many of these enterprises face difficulties in adapting to new global market requirements, such as digitalisation and the transition to a more sustainable business model.

NGOs play a key role in the provision of social services and the integration of vulnerable groups in Greece, especially in a context of fiscal constraints and budget cuts. These organisations focus on training and job counselling for young people and facilitating their access to vocational training and employment programmes. They collaborate with the government and the private sector on initiatives such as the Youth Guarantee Programme, which aims to ensure that young people have access to employment or training opportunities (European Youth Guarantee, 2023).

Business Sector Analysis

The Greek business sector is marked by a high concentration of micro-enterprises in traditional sectors, such as tourism and agriculture, which limits the country's economic diversification. Tourism remains a central pillar of the economy, accounting for around 20% of GDP and employing approximately 25% of the labour force (Bank of Greece, 2023). The Greek islands, with their tourist appeal, are highly dependent on the influx of visitors, which makes the local economy particularly vulnerable to global fluctuations and health shocks.

The shipping industry also plays a crucial role in the Greek economy, as Greece controls one of the largest merchant fleets in the world. This sector provides employment opportunities for young people in areas such as international trade and logistics, although international competition and the need for further technical specialisation limit the access of the young workforce to quality jobs.

The renewable energy sector has grown in recent years, with investments in solar and wind energy making Greece a leader in the Mediterranean region in terms of energy transition. The implementation of programmes such as "Youth Energy" has created new employment opportunities for young people in the installation and maintenance of energy infrastructure, although the lack of specific training in these areas remains a challenge to take full advantage of these opportunities (Greek Ministry of Environment and Energy, 2023).

Labour Market Situation

The labour market in Greece remains one of the most difficult in the European Union. Despite the improvement in employment figures, high rates of temporary employment and a strong impact of the informal economy persist, particularly affecting young people. The predominance of temporary and seasonal jobs, especially in tourism, prevents many young people from finding job stability and makes it difficult to plan their professional future (Eurofound, 2023).

Training and employment programmes have had a limited impact due to the fragmentation of the labour market and the lack of coordination between educational institutions and the needs of enterprises. Although there are initiatives to improve the employability of young people, such as the Youth Guarantee, the lack of integration between the different social and economic actors has hindered the success of these policies.

In addition, the energy crisis caused by the war in Eastern Europe has increased production costs, affecting the competitiveness of Greek companies and their ability to hire new employees. However, this situation has also spurred increased investment in renewable energy, which has generated new employment opportunities, especially in rural areas seeking to diversify their economy (European Commission, 2023).

Opportunities and Challenges

Greece is in a position where, despite its structural challenges, there are significant opportunities for improving the employability of young people, especially in emerging sectors. The growing investment in renewable energy, favoured by the European commitment to the green transition, has created a favourable environment for the creation of jobs related to the installation and maintenance of energy infrastructure. Programmes such as Youth Energy seek to tap this potential by offering specialised training for young people in clean energy, especially in rural areas and on islands that rely heavily on the diversification of their economy (Greek Ministry of Environment and Energy, 2023).

Tourism, despite its seasonal nature and vulnerability to global crises, remains an important source of employment opportunities for young people. Diversification of the sector into areas such as sustainable tourism and agro-tourism presents new opportunities for local economic development and the creation of more stable jobs. Regions such as Epirus and Thessaly have started to promote this type of tourism, which could foster youth employment in areas that have traditionally suffered from depopulation (Bank of Greece, 2023).

The technology sector has also started to gain prominence in Greece, especially in cities such as Athens and Thessaloniki, where the startup ecosystem is expanding. Initiatives such as “Elevate Greece”, which connect young entrepreneurs with funding resources and mentoring networks, have created a more favourable environment for innovation and start-ups. However, the uptake of digital technologies in most sectors remains low, and the lack of advanced digital skills limits many young people’s access to these emerging opportunities (European Commission, 2023).

Despite these opportunities, Greece faces significant challenges that limit the full realisation of its economic potential. High public debt constrains the government’s ability to finance expansionary policies to boost job creation, while labour market fragmentation and the prevalence of the informal economy hinder job stability for young people (IMF, 2024). In addition, insufficient regulation of internships and apprenticeships has led to criticism about the quality of training opportunities, which often do not translate into stable jobs.

The brain drain phenomenon remains a relevant problem, with many young Greeks emigrating in search of better job opportunities in other EU countries. This not only deprives the country of qualified talent, but also hinders the implementation of a long-term sustainable development strategy. Bringing back these young emigrants, through return incentives, could be a key strategy to revitalise emerging sectors and strengthen the local economy.

Strategic Recommendations

1. **Incentivise training in renewable energy and digitalisation**: Given the growth potential in these sectors, it is crucial to strengthen vocational training programmes that prepare young people for jobs in clean energy and digital technology. This can be achieved through partnerships between the public sector, universities and companies, facilitating dual training programmes that combine theory and practice.
2. **Promote tourism diversification**: To reduce dependence on seasonal tourism and foster more stable jobs, it is recommended to support the diversification of the tourism sector towards sustainable modes such as ecotourism and agro-tourism. This would include the creation of financial support programmes for young entrepreneurs wishing to develop tourism projects in less developed regions, as well as the promotion of these destinations in international markets.
3. **Encourage the return of talent**: Greece could benefit from programmes aimed at incentivising the return of young emigrants by creating tax incentives, high-skilled employment opportunities and support for business start-ups in strategic sectors. This could include partnerships with technology companies to create jobs in areas such as software development and artificial intelligence, building on the experience gained by young people abroad.
4. **Improve regulation of internships and apprenticeships**: It is essential to ensure that *internships* and apprenticeships provide adequate remuneration and opportunities for transition to stable employment. This could be achieved by revising national regulations on internships and setting clear standards to ensure the quality of the training experience.
5. **Support the integration of micro-enterprises into the digital economy**: As the Greek business fabric is mainly composed of micro-enterprises, it is essential to offer support programmes for their digitisation. This can include subsidies for the adoption of digital technologies and training programmes to improve the digital

skills of their employees. By facilitating the modernisation of these enterprises, their competitiveness and their ability to create quality jobs for young people could be increased.

6. **Strengthen collaboration between local actors**: Cooperation between government, NGOs and the private sector is key to ensure that youth employment initiatives respond to the real needs of the labour market. The creation of local roundtables is recommended to allow these actors to coordinate efforts in the creation of training and employment programmes that are aligned with market demands and the particularities of each region.

Country 7:

Ireland

Country Economic and Employment Summary

Ireland has been one of the fastest growing economies in Europe over the last decade, with Gross Domestic Product (GDP) expected to grow by 3.8% in 2024, driven by its strong technology sector, foreign direct investment and a recovery in domestic consumption (Central Bank of Ireland, 2024). The presence of major multinationals, especially in sectors such as technology, pharmaceuticals and finance, has been key to maintaining the country's economic dynamism. However, Ireland faces challenges such as the need to diversify its economy and dependence on external investment.

The Irish labour market has shown significant improvements, with the overall unemployment rate hovering around 4.3% in 2023. Despite this recovery, youth unemployment stands at around 10%, reflecting certain challenges in integrating young people into the labour market (Eurostat, 2023). These challenges are related to the need to match academic training to market demands and to the high concentration of opportunities in urban areas such as Dublin.

Demographics and Company Profile/NGOs

Ireland faces a more favourable demographic challenge compared to other European countries, as it has a relatively young population and a higher birth rate. However, the emigration of young people during the 2008 economic crisis left a mark on the Irish labour market, with a generation seeking opportunities abroad. In recent years, the country has seen a return of talent, driven by economic recovery and opportunities in high-tech and finance sectors (Central Bank of Ireland, 2024).

The Irish business fabric is composed of both large multinationals and a growing network of small and medium-sized enterprises (SMEs). Multinationals, which account for a significant share of GDP and employment, are concentrated in sectors such as technology, biotechnology and financial services. Dublin, in particular, has established itself as a global hub for technology companies, including giants such as Google, Apple and Facebook (European Commission, 2023). However, SMEs also play an important role, especially in sectors such as agriculture and tourism.

NGOs in Ireland have played a key role in the integration of young people into the labour market, especially those from vulnerable backgrounds and with barriers to accessing higher education. Through vocational training programmes, mentoring and job search support, these organisations have sought to improve the employability of young people. Programmes such as the *Youth Employment Support Scheme* have sought to provide training and internship opportunities for young people who are not in education or employment (Irish Department of Employment and Social Protection, 2023).

Business Sector Analysis

The Irish business sector is characterised by its dynamism and the strong presence of multinationals that have chosen Ireland as their European headquarters due to its favourable tax environment and proximity to EU markets. The technology sector, with companies ranging from start-ups to global giants, has been a key driver of growth and has created a large number of jobs for young people, especially in areas such as software development, cybersecurity and artificial intelligence (OECD, 2023).

The pharmaceutical and biotechnology sector has also played a key role in the Irish economy, with companies producing a large share of the medicines exported from Europe. Employment opportunities in this sector have attracted young people with backgrounds in life sciences, chemical engineering and biotechnology, especially in cities such as Cork and Limerick (European Commission, 2023).

The renewable energy sector is gaining importance in Ireland, with a focus on wind energy and grid modernisation. Clean energy investments have created employment opportunities in the installation and operation of wind farms, especially in rural and coastal areas (International Energy Agency, 2023). However, the country still faces challenges in terms of diversification of its energy matrix and the need to train young people to meet the demands of a growing sector.

Labour Market Situation

The Irish labour market is known for its dynamism and adaptability, but it also faces challenges in integrating young people, especially in high-skilled sectors. Differences in the quality of vocational training and the need for advanced digital skills have led to a growing demand for training programmes in technology and applied sciences (Irish Department of Employment and Social Protection, 2023). Despite opportunities in technology sectors, many young people face difficulties in accessing stable jobs due to high competition and expectations of prior work experience.

The digitisation of the economy has generated a growing demand for technological skills, leading to an increase in the supply of training programmes in areas such as programming and data management. However, the digital skills gap remains a relevant issue, as many firms find it difficult to find candidates with advanced skills in these areas, especially outside Dublin (OECD, 2023).

Regional disparities also pose a challenge for the Irish labour market. While Dublin concentrates most employment opportunities in high-tech and financial services sectors, rural regions and the West of Ireland face higher youth unemployment rates and lower availability of skilled jobs. Internal migration of young people to the capital has contributed to the depopulation of some rural areas, affecting the sustainability of local communities (Central Bank of Ireland, 2024).

Opportunities and Challenges

Ireland offers a range of opportunities for the integration of young people into the labour market, especially in growing sectors such as technology, life sciences and renewable energy. The technology sector, which has attracted industry giants to establish their European headquarters in Dublin, remains a key pillar of the Irish economy. The demand for digital skills has generated a dynamic job market for young people, especially those with skills in software development, cybersecurity and data analytics (European Commission, 2023). This growth has been accompanied by a start-up ecosystem that has turned Dublin into an innovation hub. However, strong competition and high expectations for prior work experience can be a barrier for recent graduates, highlighting the importance of improving practical training opportunities.

The pharmaceutical and biotechnology sector offers another area of opportunity, with companies establishing production and research facilities in Ireland. Cities such as Cork and Limerick have benefited from these investments, generating high-skilled jobs for young people with backgrounds in life sciences, engineering and biotechnology (OECD, 2023). Despite these opportunities, talent retention remains a challenge, with some young people preferring to migrate to other EU countries in search of better salaries and career development opportunities.

The renewable energy sector, especially wind energy, has shown significant growth in Ireland. The country's geographical location, with favourable winds on the Atlantic coast, has enabled the development of both onshore and offshore wind projects. This has generated employment opportunities in the installation, maintenance and operation of energy infrastructure, particularly in rural areas that have traditionally had fewer employment options (International Energy Agency, 2023). However, specific training in renewable energy is still limited, making it difficult for young people to join these projects.

Despite these opportunities, Ireland faces structural challenges affecting the integration of young people into the labour market. The high temporariness of contracts and the prevalence of unpaid internships limit the possibilities for young people to access stable and quality jobs, especially in the service and hospitality sectors (Irish Department of Employment and Social Protection, 2023). This is particularly relevant in the tourism sector, where many of the jobs are seasonal and do not offer long-term economic stability.

Regional disparities are another major challenge in the Irish labour market. While Dublin and other major cities such as Cork and Galway concentrate most of the job opportunities, many rural areas, especially in the west of the country, face lower availability of skilled jobs and higher youth unemployment rates. Internal migration of young people to cities has exacerbated the depopulation of some rural communities, affecting their economic dynamism and the availability of essential services (Central Bank of Ireland, 2024).

Strategic Recommendations

1. **Strengthen training in digital and technology skills**: Given the growth of the technology sector in Ireland, it is crucial to improve the supply of training programmes in areas such as software development, artificial intelligence and data management. It is recommended to encourage collaboration between universities, vocational schools and technology companies to develop dual training programmes that combine theory with practical experience in companies in the sector. This would facilitate the integration of young people into a constantly evolving technology market.
2. **Promoting the modernisation of the life sciences sector**: To take full advantage of the opportunities in the pharmaceutical and biotechnology industry, it is essential to encourage collaboration between universities and companies to develop training programmes that respond to the specific demands of the sector. This could include the creation of paid internship and applied research programmes

that allow young people to gain experience directly in industry, thereby increasing their employability.

3. **Boosting training in renewable energy and the green transition**: The development of the renewable energy sector in Ireland requires specialised training to take full advantage of the employment opportunities offered by the energy transition. The creation of technical training programmes in clean energy, such as the installation of wind turbines and the operation of offshore wind farms, is suggested. In addition, promoting investment in renewable energy projects in rural areas can help to boost the local economy and provide new employment opportunities for young people.
4. **Reduce temporariness and improve the quality of internships**: To combat the high temporariness affecting young people, it is recommended that tax incentives be implemented for companies that convert temporary contracts into permanent ones. In addition, it is essential to ensure that internships are paid and provide a quality training experience, thus facilitating the transition of young people to stable and higher quality jobs.
5. **Encourage investment in less developed regions to reduce disparities**: To mitigate regional inequalities, it is crucial to promote the attraction of investment to rural and less developed regions. This could include tax incentives for companies setting up in these areas, as well as the development of digital infrastructure to facilitate the expansion of the local economy. Supporting youth entrepreneurship in sectors such as agribusiness, eco-tourism and the circular economy can also be key to energising these regions and retaining young people in their home communities.
6. **Improve coordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. It is recommended that dialogue platforms be created to design training programmes tailored to the needs of strategic sectors such as technology, biotechnology and renewable energies, facilitating the integration of young people into the labour market and ensuring greater adaptability to economic change.

Country 8:

Italy

Country Economic and Employment Summary

Italy, the third largest economy in the Eurozone, is in a process of economic recovery after a prolonged financial crisis, accentuated by the COVID-19 pandemic. Italy's GDP is projected to grow by 1% in 2024 and 1.1% in 2025, with inflation declining to 1.6% in 2024 (Bank of Italy, 2024). However, important challenges remain, such as a high level of public debt, which is expected to reach 141.7% of GDP by 2025 (IMF, 2024). Despite the improvement in overall unemployment, which has decreased from 7.7% to 7.3%, youth unemployment remains high, reaching 23% in 2023, well above the European average of 14% (OECD, 2023).

The Italian economy is characterised by a strong dependence on exports, especially in traditional sectors such as machinery, automotive and fashion. These industries remain pillars of economic growth, although they face the challenge of adapting to digitalisation and green transition, two key areas for the country's economic modernisation (European Commission, 2023). Small and medium-sized enterprises (SMEs) are Italy's economic engine, accounting for 99% of the business fabric and more than 70% of employment (Istat, 2023).

Demographics and Company Profile/NGOs

Italy faces a major demographic challenge due to its ageing population and low birth rate. This has led to a reduction in the youth labour force, complicating the sustainability of the pension system and increasing pressure on sectors requiring young labour, such as technology and elderly care. This phenomenon is particularly noticeable in the southern regions of the country, which are experiencing significant emigration of young people to northern Italy and other European countries in search of better job opportunities (Istat, 2023).

The Italian business fabric is characterised by the prevalence of SMEs, many of which are family-owned firms with a strong orientation towards niche markets, such as luxury goods and precision manufacturing (OECD, 2023). These firms have shown great resilience during economic downturns, but often face constraints in accessing finance and difficulties in digitising at the same speed as their international competitors. Large firms, although fewer in number, play an important role in sectors such as automotive and energy.

Italian NGOs play a leading role in promoting social inclusion and training for young people, especially in regions with higher rates of youth unemployment. Organisations such as the National Youth Council and programmes such as the National Civil Service provide opportunities for personal and professional development, encouraging the participation of young people in community and local development projects. In addition, some NGOs have begun to collaborate with private sector companies to offer dual training programmes that combine academic studies and work placements.

Business Sector Analysis

The business sector in Italy presents a duality between traditional SMEs and large multinationals. SMEs are predominant in sectors such as fashion, gastronomy and precision manufacturing, where they take advantage of the tradition of craftsmanship and the reputation of the “Made in Italy” brand. However, these firms often face difficulties integrating into global value chains due to their lower capacity to invest in technology and digitalisation (OECD, 2023).

In contrast, the technology sector, although emerging, has grown strongly in areas such as Milan, where much of the investment in start-ups and innovation hubs has been concentrated. Italy’s recovery and resilience plan (PNRR) has been central to this momentum, with investments aimed at modernising the economy through digitalisation and the development of green industries (Bank of Italy, 2024). However, the adoption of new technologies has been uneven, with many southern regions lagging behind compared to the north of the country.

Italy’s energy sector has also gained prominence in the context of the green transition, with increased investment in renewable energies such as solar and wind. Companies such as Enel have led the expansion of clean energy generation capacity, creating new employment opportunities in a country seeking to reduce its energy dependence (European Commission, 2023). Despite these advances, the energy transition faces barriers, such as resistance to regulatory changes and a lack of adequate infrastructure in some regions.

Labour Market Situation

The Italian labour market is marked by a high level of regional fragmentation and inequality. While northern regions, such as Lombardy and Emilia-Romagna, have achieved employment rates close to the European average, the south of the country still faces high levels of unemployment, especially among young people. This disparity is partly due to a less diversified productive structure and a lower presence of technological industries in the south.

The system of vocational training and work placements in Italy has evolved to facilitate the integration of young people into the labour market, especially through apprenticeship programmes known as *tirocini*. However, their effectiveness has been questioned due to low pay and lack of stable employment opportunities at the end of these internships (Ministry of Labour, 2023). Despite the existence of policies to support the hiring of young people, such as tax incentives and subsidies for companies, the impact of these measures has been limited due to labour market rigidities and high bureaucratic burdens.

The digital transition and automation have also transformed the labour market, reducing the demand for labour in traditional sectors such as manufacturing, while increasing opportunities in areas such as programming and data analytics. However, this transformation has left many young people without adequate training to access these new jobs, contributing to persistently high youth unemployment (OECD, 2023).

Opportunities and Challenges

Italy faces a significant set of opportunities to improve the labour market insertion of young people, especially in emerging sectors such as digitalisation and energy transition. The National Recovery and Resilience Plan (NRRP) has earmarked significant resources to modernise the economy through investments in digitalisation and renewable energy. This plan is expected to generate approximately 2 million jobs in sectors such as artificial intelligence, data analytics and green technologies by 2028 (Bank of Italy, 2024). These initiatives represent a key opportunity for young people, provided that vocational training programmes in these areas are strengthened and a better connection between education supply and market demand is achieved.

The renewable energy sector also has great potential. Italy has made progress in solar and wind energy production, with companies such as Enel leading large-scale projects. This development has created employment opportunities in the installation and maintenance of energy infrastructure, especially in regions seeking to diversify their economy. However, these opportunities face challenges such as the need for greater investment in infrastructure and overcoming bureaucratic hurdles that often slow down projects (European Commission, 2023).

The technology sector, particularly in the north of the country, also offers favourable prospects for youth employability. Milan has emerged as a hub for innovation and start-ups, which has boosted demand for young people skilled in areas such as software development and cybersecurity. However, digitalisation and the adoption of advanced technologies have been slow in southern Italy, deepening regional disparities and limiting youth access to these employment opportunities (OECD, 2023).

Despite these opportunities, Italy faces important structural challenges. High public debt limits the government's capacity to implement expansionary policies to support youth employment, and structural reforms in the labour market have failed to eliminate the duality between temporary and permanent contracts. Young people often face precarious jobs, with low-paid internships that do not always translate into stable employment (Ministry of Labour, 2023). Moreover, the emigration of skilled young people to other EU countries remains a problem, depriving the Italian economy of talent essential for its modernisation.

Strategic Recommendations

1. **Promote training in digital skills and renewable energy**: Given the growth of these sectors, it is essential to improve the supply of vocational training programmes in advanced technologies and sustainability. This can include collaboration between universities and companies in the technology and energy sectors to develop specific dual training programmes, combining academic studies with work placements.
2. **Incentivising investment in Southern Italy**: To reduce regional inequalities, it is recommended that tax incentives be created to attract private investment in the South, with a particular focus on digitalisation and clean energy. This may include the creation of special economic zones that offer advantages to technological companies setting up in these regions, thus generating quality jobs for local youth.
3. **Strengthen the system of internships and traineeships**: It is suggested to improve the regulation of internship programmes (*tirocini*), establishing a framework that guarantees fair remuneration and hiring opportunities upon completion. In addition, mentoring programmes that connect young people with professionals in their sector of interest should be encouraged, facilitating their integration into the labour market.
4. **Support youth entrepreneurship**: To promote the creation of new businesses, it is recommended that programmes such as *Resto al Sud*, which offer financial support to young entrepreneurs, be strengthened. This measure should be accompanied by the simplification of administrative procedures and the creation of support networks for new entrepreneurs, facilitating their access to markets and advisory services.
5. **Strengthen talent return policies**: Italy could benefit from specific programmes aimed at attracting back young Italians who emigrated to other European countries. These programmes could include tax incentives and employment opportunities in high-demand sectors, taking advantage of the experience gained by these young people abroad to contribute to the development of the local economy.
6. **Encourage public-private collaboration**: It is essential to establish working groups between business, universities and government to ensure that the training provided to young people is aligned with the needs of the labour market. This collaborative approach can facilitate job placement in strategic sectors and ensure a smoother transition from education to employment.

Country 9:

Martinique

Country Economic and Employment Summary

Martinique, as an overseas department of France, has an economy characterised by its dependence on sectors such as tourism, agriculture (especially sugar and banana production) and public services. Despite its privileged location in the Caribbean, Martinique's economy has faced significant challenges, such as recovery from the impact of the COVID-19 pandemic and the effects of climate change, which have affected agriculture and tourism (INSEE, 2024). Gross Domestic Product (GDP) is expected to grow by 3.2% in 2024, driven mainly by the recovery of tourism and investment in public infrastructure.

The labour market in Martinique has been affected by a high unemployment rate, which stands at around 20%, with youth unemployment reaching approximately 38% (Eurostat, 2023). These figures reflect structural challenges in the local economy, such as the lack of stable employment opportunities and the need to diversify the island's economic base.

Demographics and Company Profile/NGOs

Martinique's population is diverse and predominantly young, representing significant potential for economic development. However, the emigration of young people in search of better job opportunities in the French metropolis and other Caribbean countries has exacerbated the brain drain and left the island with an active population facing constraints in terms of employment and training (INSEE, 2024). This has led to a 'brain drain' phenomenon, where young professionals seek opportunities outside the island, limiting local development potential.

The business fabric in Martinique is mainly composed of small and medium-sized enterprises (SMEs), which represent a significant part of the local economy. Agriculture, especially the production of sugar, bananas and local products, remains a key pillar, although the sector has faced challenges due to international competition and climate change. Tourism, which is essential to the economy, has been affected by the pandemic, but has shown signs of recovery, especially in the hospitality and services sector (European Commission, 2023).

NGOs in Martinique play a key role in promoting the training and labour integration of young people, especially those in vulnerable situations. Through vocational training, mentoring and job search support programmes, these organisations seek to improve the job prospects of young people and facilitate their access to quality opportunities. Programmes such as the *Dispositif Local d'Accompagnement* have sought to provide training and support to young people facing difficulties in entering the labour market (French Ministry of Employment, 2023).

Business Sector Analysis

Martinique's business sector is characterised by a strong dependence on tourism and agriculture, with a growing focus on economic diversification. Agricultural production remains vital to the economy, although it faces challenges related to sustainability and competitiveness. The sugar industry, for example, has suffered due to declining international prices and competition from products from other regions (European Commission, 2023).

Tourism is one of the most important sectors of Martinique's economy, attracting visitors for its natural beauty, vibrant culture and historical heritage. The island has worked to diversify its tourism offer, promoting activities such as ecotourism, adventure tourism and cultural tourism. However, high dependence on tourism can make the economy vulnerable to external factors, such as natural disasters and global crises, highlighting the need for diversification and economic resilience (OECD, 2023).

The service sector, which includes education, health and public services, is also central to the local economy. Investment in infrastructure and human resource training is key to improving the quality of services and facilitating economic growth. However, lack of investment in certain sectors has limited employment and development opportunities.

Labour Market Situation

The labour market in Martinique is characterised by high unemployment, especially among young people, who face significant challenges in accessing stable and quality jobs. The disconnect between academic training and labour market needs is a persistent problem, with many young people failing to acquire the skills required by growing sectors (French Ministry of Employment, 2023). The high temporariness of contracts and the prevalence of precarious jobs disproportionately affect young people, limiting their ability to establish themselves economically.

The digitalisation of the economy is a trend that has started to impact the labour market in Martinique, generating a growing demand for digital skills. However, the gap in access to training in these areas is a significant challenge, especially for young people from rural and vulnerable backgrounds. Investment in digital skills training programmes is crucial to prepare local youth for the future of work.

In addition, regional disparities within the island also affect the labour market. Urban areas, such as Fort-de-France, tend to concentrate more employment opportunities compared to rural regions, where access to quality jobs and vocational training is more limited. This has led to internal migration to urban areas, exacerbating depopulation in certain parts of the island.

Opportunities and Challenges

Martinique presents several opportunities to improve the integration of young people into the labour market, especially in sectors such as sustainable tourism, diversified agriculture and digitalisation. Tourism is a key pillar of the economy, and the post-pandemic recovery has allowed for a resurgence in demand for tourism services. The island has the opportunity to diversify its tourism offer towards more sustainable modes, such as ecotourism and cultural tourism, which could attract a wider audience and provide stable and quality jobs for young people. Promoting tourism that respects the environment and local culture can contribute to more sustainable economic development and job creation in rural and less developed areas (European Commission, 2023).

Agriculture, especially the production of local products, presents another opportunity to improve the employability of young people. The transition towards more sustainable agricultural practices and crop diversification, such as the production of tropical fruits and aromatic herbs, could open up new market avenues. Initiatives that encourage organic farming and the use of modern technologies in agricultural production may also be attractive to young people, promoting entrepreneurship and innovation in the sector (OECD, 2023).

The advance of digitalisation in all economic sectors represents a significant opportunity to improve the skills and competences of local youth. Investing in training in digital skills and the use of new technologies can prepare young people for jobs in growing sectors, such as e-commerce and digital marketing. However, a comprehensive strategy is required to ensure that all young people, especially those in rural areas, have access to these training opportunities.

Despite these opportunities, Martinique faces significant challenges affecting the integration of young people into the labour market. High youth unemployment is a symptom of structural problems, such as the disconnect between academic training and labour market demands. The lack of practical training programmes linking young people to the private sector limits their ability to acquire relevant experience and skills (French Ministry of Employment, 2023). In addition, the high temporariness of jobs and the prevalence of precarious jobs disproportionately affect young people, who are forced to accept temporary contracts or low-level jobs, limiting their professional development.

Regional disparities also represent a major challenge. Urban areas, such as Fort-de-France, concentrate most employment opportunities, while rural regions face higher unemployment rates and lower availability of skilled jobs. Internal migration to cities has exacerbated depopulation in certain areas, affecting economic dynamism and quality of life in rural communities (National Bank of Martinique, 2024).

Strategic Recommendations

1. **Promote sustainable and diversified tourism**: To capitalise on the potential of tourism, it is recommended to develop training programmes in sustainable tourism management that prepare young people to work in this sector. This could include the promotion of responsible tourism practices that respect the environment and local culture, and the creation of incentives for businesses that implement these practices.
2. **Promote agricultural diversification and sustainable agriculture**: To improve the employability of youth in the agricultural sector, it is suggested that crop diversification and the adoption of sustainable agricultural practices be encouraged. This could include the creation of training programmes for young entrepreneurs in organic agriculture and the use of modern technologies that increase the efficiency and sustainability of production.
3. **Investing in digital skills training**: Given the growing demand for digital skills, it is crucial to invest in training programmes that prepare young people for jobs in the digital sector. This could include partnerships between technology companies and educational institutions to offer courses and training programmes in digital skills and new technologies.
4. **Reduce temporariness and improve the quality of internships**: To address the high temporariness of contracts, it is recommended to implement incentives for companies to offer permanent contracts to young workers. It is also essential to regulate internships to ensure that they are remunerated and offer meaningful training experience.
5. **Encourage investment in rural regions**: To mitigate regional disparities, policies should be implemented to encourage investment in rural areas by creating incentives for businesses to locate in these areas. This could include the development of digital infrastructure and the creation of programmes to support youth entrepreneurship in local sectors, such as agriculture and tourism.

6. **Improving co-ordination between education and employment**: To reduce the disconnect between formal training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. Creating platforms for dialogue to facilitate the design of training programmes tailored to the needs of the private sector is key to ensuring that young people are prepared for the labour market.

Country 10:

Poland

Country Economic and Employment Summary

Poland has been one of the best economic performers in Central and Eastern Europe over the last decade. Despite the impact of the COVID-19 pandemic, Gross Domestic Product (GDP) growth has recovered and is expected to reach 3.5% in 2024, driven by infrastructure investment, digitalisation and manufacturing development (National Bank of Poland, 2024). The country's economic stability has been key to attracting foreign direct investment, which has strengthened sectors such as automotive, technology and energy.

The overall unemployment rate in Poland remains low compared to other European countries, standing at 5.1% in 2023, while youth unemployment, although higher, is relatively moderate at 11.2% (Eurostat, 2023). However, Poland faces the challenge of integrating its young population into high-skilled jobs, which has led to an increasing demand for technical and vocational training programmes to improve the competitiveness of its labour market.

Demographics and Company Profile/NGOs

Poland has experienced a stabilisation of its population after years of significant emigration, especially of young people seeking better opportunities in Western European countries. However, the birth rate remains low, which could affect the availability of labour in the future. In response to this challenge, Poland has implemented family-friendly policies and talent return programmes to encourage young people to stay or return to the country (National Bank of Poland, 2024).

The Polish business fabric is mainly composed of small and medium-sized enterprises (SMEs), which account for 99.8% of all enterprises and are responsible for more than

68% of employment (European Commission, 2023). These SMEs are concentrated in traditional sectors such as manufacturing, commerce and construction, although they are increasingly moving into the technology industry and digital services. The increasing digitalisation of the country has facilitated the emergence of start-ups in the information technology (IT) sector, especially in cities such as Warsaw, Kraków and Wrocław, which have become centres of innovation and technology.

NGOs in Poland play a crucial role in the social and labour market integration of young people, providing vocational training, career guidance and support to vulnerable groups. Through partnerships with government and private companies, these organisations have developed programmes that facilitate the transition of young people from education to employment, focusing on the acquisition of practical skills and inclusion in the labour market (Polish Development Foundation, 2023).

Business Sector Analysis

The Polish business sector has shown remarkable resilience and ability to adapt to global economic changes. Manufacturing remains one of the pillars of the Polish economy, with a strong focus on automotive, machinery and electronics production. This sector has attracted investment from large multinationals, generating employment and boosting the development of local supply chains (OECD, 2023).

The technology sector has been another growth driver, with rapid development of IT and software companies, as well as business process outsourcing (BPO) services. Poland has established itself as a technology services hub for Europe, offering IT services to multinational companies thanks to its skilled workforce and competitive labour costs. This has created a favourable environment for the integration of young professionals in areas such as software development, data analytics and cybersecurity (European Commission, 2023).

Digitalisation has also benefited other traditional sectors, such as agriculture, where technological solutions have been implemented to improve production efficiency. However, the adoption of these technologies has been uneven, with a notable difference between rural and urban regions. Rural areas, where agriculture remains a predominant sector, have been slower to advance in digitisation, limiting the creation of new job opportunities for young people.

Labour Market Situation

The Polish labour market has shown sustained improvement in recent years, with an unemployment rate below the EU average. However, youth employment still faces challenges, especially in terms of the quality and stability of jobs. Despite the low unemployment rate, many young people face job insecurity and a lack of high-skilled jobs that allow for long-term career development (Eurostat, 2023).

The vocational education and training system in Poland has evolved to respond to market needs, with an emphasis on technical training and digital skills. However, there is still a gap between the training provided and the specific demands of emerging sectors such as artificial intelligence and industrial automation. This has led many companies to develop their own in-house training programmes to train young graduates (Polish Development Foundation, 2023).

The phenomenon of internal migration from rural areas to cities has generated a regional imbalance in the availability of labour. Urban areas concentrate most of the job opportunities, leaving many rural regions with difficulties in attracting and retaining young people. This situation has led the government to promote regional development programmes that seek to revitalise local economies by encouraging entrepreneurship and improving infrastructure (National Bank of Poland, 2024).

Opportunities and Challenges

Poland faces a landscape of significant opportunities for improving the labour market integration of young people, especially in the context of its rapid digitalisation and industrial development. One of the main drivers of this transformation has been the expansion of the technology sector, where cities such as Warsaw and Krakow have become centres of innovation and technology services for companies across Europe. Demand for professionals in areas such as software development, artificial intelligence and cybersecurity has increased, creating opportunities for young Poles to access high-skilled jobs (European Commission, 2023). However, the supply of talent does not always meet the needs of the market, underlining the importance of aligning educational training with these demands.

The manufacturing sector remains central to the Polish economy, with a focus on automotive production and industrial machinery. This sector has attracted significant foreign investment, generating jobs both directly and in local supply chains (OECD, 2023). The Polish government's initiatives to modernise industry through digitalisation and automation offer an opportunity for young people to integrate into a more technologically advanced labour market. However, the challenge is to ensure that young people are adequately trained to adapt to the demands of an increasingly automated production environment.

The transition to a greener economy also presents opportunities for Poland, particularly in the development of renewable energies such as solar and wind power. The country's commitment to the EU's sustainability goals has led to increased investment in this sector, creating new employment opportunities in the installation and maintenance of energy infrastructure. These investments can be particularly beneficial for rural regions, where the economy needs to diversify to provide alternative employment opportunities for young people (National Bank of Poland, 2024).

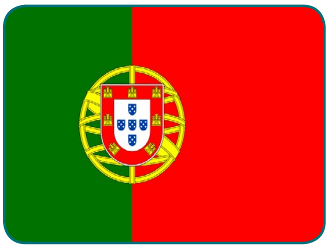
Despite these opportunities, Poland faces structural challenges that limit the potential of its youth labour market. At the regional level, disparities between urban and rural areas remain significant. Larger cities concentrate most of the high-skilled employment opportunities, while rural areas, where agriculture remains a predominant economic activity, have difficulties in retaining young people. This has led to internal migration, leaving many rural regions with an ageing workforce and a less dynamic economy (National Bank of Poland, 2024).

Another major challenge is job insecurity, with a high proportion of temporary contracts and internships that do not always translate into stable jobs. Although the unemployment rate is low, the quality of jobs remains a concern, especially for young people seeking long-term stability. Despite efforts to improve the regulation of apprenticeships and vocational training, there is still a gap between the skills acquired and the requirements of the labour market (Polish Development Foundation, 2023).

Strategic Recommendations

1. **Strengthen training in digital and technical skills**: Given the growing demand for skilled professionals in the technology sector and advanced manufacturing industry, it is crucial to improve the supply of training in these areas. This can be achieved through collaboration between universities, vocational training centres and technology companies, developing dual training programmes that combine theoretical learning with practical experience in industry.
2. **Promote the modernisation of industry in rural regions**: To reduce regional disparities, it is recommended to support the digitisation of small and medium-sized enterprises (SMEs) in rural areas by facilitating access to advanced technologies to improve their competitiveness. This could include subsidies for the acquisition of digitised machinery and the creation of mentoring networks to guide local entrepreneurs in the adoption of new technologies.
3. **Develop talent return programmes**: To address the brain drain, Poland could implement talent return programmes that offer tax incentives and high-skilled employment opportunities to young Poles who have emigrated. These initiatives could focus on strategic sectors such as technology and renewable energy, building on the experience gained by young people in other European markets.

4. **Improve the quality of employment contracts**: It is recommended to promote policies that incentivise the conversion of temporary contracts into permanent ones, especially for young people participating in training and internship programmes. This could be achieved by implementing tax incentives for companies that offer job stability to young people and strengthening the regulation of internships to ensure that they provide a quality training experience.
5. **Encourage economic diversification in rural areas**: To attract and retain young people in rural regions, it is essential to promote entrepreneurship in sectors such as agribusiness and rural tourism. This can include facilitating access to finance for entrepreneurship projects and developing infrastructure that improves the quality of life in these areas, such as access to high-speed internet and improved transport services.
6. **Boosting public-private collaboration in vocational training**: Building partnerships between government, business and NGOs is key to ensuring that the training provided to young people is aligned with market needs. The creation of regional training centres that connect young people with local companies for internships and direct learning in a work environment is recommended.



Country 11:

Portugal

Country Economic and Employment Summary

Portugal has shown a solid recovery after the COVID-19 pandemic, with Gross Domestic Product (GDP) growth projected at around 2.2% by 2024, driven mainly by exports, the tourism industry and investment in digital and green infrastructure (Banco de Portugal, 2024). This growth has been supported by European recovery funds, which have allowed Portugal to implement reforms in strategic sectors, favouring the modernisation of its economy.

Despite these improvements, youth unemployment remains a considerable problem, with a rate of 19.5% in 2023, which contrasts with a more moderate overall unemployment rate of 6.8% (Eurostat, 2023). This high youth unemployment reflects structural challenges, such as temporariness in the labour market and the lack of alignment between the education system and the demands of a labour market increasingly oriented towards digitalisation and sustainability.

Demographics and Profile of Companies/NGOs

Portugal faces a demographic challenge similar to that of other southern European countries, with an ageing population and a low birth rate that has led to a reduction in the active population. Rural areas have experienced notable depopulation, with many young people migrating to cities in search of job opportunities or even to other EU countries (Banco de Portugal, 2024). This has exacerbated pressure on social services and reduced the capacity of some regions to maintain sustained economic development.

The Portuguese business fabric is dominated by small and medium-sized enterprises (SMEs), which represent 99.9% of companies and generate 71% of employment (European Commission, 2023). These SMEs are particularly relevant in traditional sectors such as commerce, hospitality and agriculture, although they have also started to make inroads into technological sectors thanks to investments in digitalisation promoted by the *NextGenerationEU* plan.

NGOs play an important role in strengthening social cohesion, especially in rural areas and on the outskirts of larger cities. These organisations collaborate with the government in the implementation of social inclusion and youth employability programmes, promoting vocational training and the creation of support networks for young people seeking to enter the labour market. Through dual training and job orientation programmes, NGOs help young people develop the skills needed to enter emerging sectors such as green technologies and the digital economy.

Business Sector Analysis

The business sector in Portugal has been one of the main drivers of economic recovery, with a focus on the modernisation of traditional industries and the promotion of new sectors such as technology and renewable energies. SMEs have played a key role in this modernisation, especially through the adoption of new technologies and the improvement of production processes to increase their competitiveness in the global market (European Commission, 2023).

Tourism remains one of the most relevant sectors of the Portuguese economy, contributing approximately 15% of GDP and employing a significant part of the labour force, especially in regions such as the Algarve and Lisbon (Banco de Portugal, 2023). This sector has shown a solid recovery after the impact of the pandemic, attracting millions of tourists annually thanks to the promotion of sustainable and cultural tourism. However, the seasonality of tourism activity remains a challenge, affecting the stability of youth employment.

The technology and innovation sector has grown significantly, especially in Lisbon and Porto, where several startup hubs and innovation centres have been established. These ecosystems have attracted international companies looking to tap into local talent and the increasing digitalisation of the Portuguese economy. Despite this growth, advanced digital skills are still scarce in some regions, underlining the need to improve the supply of training in these areas.

The renewable energy sector has also gained importance, with strong investment in wind and solar energy, which has allowed Portugal to reduce its energy dependence and become a benchmark in the region (International Energy Agency, 2023). This growth has generated employment opportunities in the installation and maintenance of energy infrastructures, especially in rural areas, contributing to the economic diversification of these areas.

Labour Market Situation

The Portuguese labour market has improved since the financial crisis and pandemic, but still faces problems of temporariness and precariousness, especially among young people. The prevalence of temporary contracts, particularly in sectors such as hospitality and construction, has limited young people's access to stable and well-paid jobs (Portuguese Ministry of Labour, 2023). In addition, the skills gap, especially in technological areas, hinders the integration of young people into emerging sectors requiring specialised training.

The vocational training and higher education system has started to adapt to the needs of the market, with a focus on digital and green skills. However, collaboration between companies and educational institutions can still be improved to ensure that the training provided is aligned with market demands. Programmes such as the Youth Guarantee have sought to reduce youth unemployment, but implementation has been uneven, with a greater impact in urban regions than in rural areas (European Commission, 2023).

At the regional level, depopulation and lack of job opportunities outside large cities remain a problem, perpetuating youth out-migration and affecting the economic vitality of certain areas. Despite efforts to promote rural entrepreneurship and revitalise the local economy, the lack of infrastructure and services remains an obstacle to attracting young entrepreneurs.

Opportunities and Challenges

Portugal presents a number of opportunities to improve the integration of young people into the labour market, especially in sectors such as digitalisation, renewable energy and sustainable tourism. Growing investment in technology has fostered the emergence of innovation hubs in cities such as Lisbon and Porto, attracting startups and technology companies looking to tap into local talent. This trend has created significant demand for professionals in areas such as software development, artificial intelligence and cybersecurity (European Commission, 2023). However, to take full advantage of these opportunities, it is crucial to improve training in advanced digital skills and encourage talent retention within the country.

The renewable energy sector, especially wind and solar energy, has been a driver of economic growth in Portugal, thanks to the country's commitment to reducing its dependence on fossil fuels. Investments in the expansion of wind and solar farms have generated employment opportunities in the installation, maintenance and management of these infrastructures (International Energy Agency, 2023). This is particularly relevant in rural regions, where the creation of jobs linked to the green economy can help combat depopulation and promote more balanced economic development.

Sustainable tourism has positioned itself as a way to diversify the Portuguese economy and attract a tourist profile more interested in culture, nature and sustainability. This approach has opened up opportunities for the development of tourism products involving young entrepreneurs in rural areas, contributing to the revitalisation of these regions (Banco de Portugal, 2023). However, seasonality remains a challenge, as most employment in this sector is concentrated in peak seasons, making it difficult to create stable and long-term jobs for young people.

Despite these opportunities, Portugal faces significant challenges that limit the potential of its youth labour market. The high temporariness of contracts remains a persistent problem, creating instability and affecting young people's ability to plan for the long term and to access social benefits such as housing. Although recent labour reforms have sought to encourage permanent hiring, the impact of these measures has been limited in traditional sectors such as hospitality and construction (Portuguese Ministry of Labour, 2023).

The depopulation of rural areas and the concentration of job opportunities in major cities have exacerbated regional inequalities. Despite policies to support rural development and entrepreneurship, the lack of adequate infrastructure and public services in these areas remains an obstacle to attracting and retaining young people. Moreover, the brain drain, with skilled young people migrating in search of better opportunities in other EU countries, continues to be a challenge for the Portuguese economy.

Strategic Recommendations

1. **Strengthen training in digital and technological skills**: Given the growth of the technology sector in Portugal, it is essential to strengthen the supply of vocational and university training programmes in advanced digital skills. This can be achieved through collaboration between technology companies and educational institutions, facilitating dual training programmes that combine theory with practical experience in real working environments.
2. **Promote stable hiring of young people**: To reduce the high temporariness in the labour market, it is recommended that tax incentives be implemented for companies that convert temporary contracts into permanent ones and for those that hire young people in emerging sectors such as technology and the green economy. These measures should be complemented by mentoring and coaching programmes to ensure the successful integration of young people into the labour market.
3. **Promote rural and sustainable entrepreneurship**: Given the potential of rural areas for the development of renewable energy and sustainable tourism projects, it is recommended that programmes to support young entrepreneurs in these regions be strengthened. This may include facilitating access to finance, creating business incubators in rural areas, and promoting support networks that connect entrepreneurs with mentors and local development experts.
4. **Attracting and retaining skilled talent**: To stem the brain drain, Portugal could develop incentive programmes for the return of skilled young people who have emigrated, offering high-skilled employment opportunities and tax benefits for those who decide to return. In addition, it is suggested to improve working conditions in strategic sectors so that young people find the possibility of developing their career in the country attractive.
5. **Strengthen public-private collaboration**: Partnerships between the public sector, businesses and NGOs are essential to ensure that youth employment policies respond to market needs. The creation of regional roundtables is recommended to facilitate coordination between these actors, especially in the identification of training needs and in the design of internship and training programmes adapted to local demands.
6. **Develop a comprehensive sustainable tourism strategy**: To maximise the potential of sustainable tourism, it is suggested that a national strategy be created to promote the diversification of tourism offerings in less developed areas. This could include improving infrastructure in emerging destinations and creating training programmes for young people interested in tourism entrepreneurship. By diversifying tourism, it could generate more stable jobs and improve the quality of life in rural regions.

Country 12:

Romania

Romania Economic and Employment Summary

Romania has experienced steady economic growth in recent years, with Gross Domestic Product (GDP) expected to grow by 3.1% in 2024, driven by the recovery of domestic consumption, infrastructure investment and digitalisation (National Bank of Romania, 2024). The Romanian economy benefits from its strategic position in southeastern Europe, attracting foreign investment in sectors such as manufacturing, information technology and renewable energy. However, the country faces challenges related to youth migration and the need to strengthen infrastructure to support long-term sustainable growth.

The Romanian labour market has improved significantly, with an overall unemployment rate of around 5.3% in 2023. However, youth unemployment remains a major challenge, standing at around 19% (Eurostat, 2023). This high level of youth unemployment reflects a number of structural problems, such as the disconnection between educational attainment and labour market demands, and the concentration of employment opportunities in urban areas.

Demographics and Company Profile/NGOs

Romania faces a serious demographic problem, characterised by a low birth rate and a significant emigration of young people to other EU countries in search of better job opportunities. This 'brain drain' has reduced the country's labour force and made it difficult to retain young talent, affecting the dynamism of the economy, especially in rural regions (National Bank of Romania, 2024). Policies to encourage the return of talent and improve living conditions in rural areas have become a priority to mitigate these challenges.

The Romanian business fabric is mostly composed of small and medium-sized enterprises (SMEs), which represent 99.7% of the total number of enterprises and generate approximately 65% of employment (European Commission, 2023). SMEs are particularly important in sectors such as agriculture, manufacturing and construction, although the information technology sector has gained significant weight in recent years, with Cluj-Napoca and Bucharest emerging as technology hubs. These cities have attracted investment from large technology companies looking to tap into local talent in software development and IT services.

NGOs in Romania play a key role in training and mentoring young people, especially those from disadvantaged and rural backgrounds. Through vocational training, career guidance and mentoring programmes, these organisations seek to improve the employability of young people and reduce barriers to quality jobs. Initiatives such as *Youth Guarantee* and EU-funded programmes have sought to provide training and employment opportunities for young people who are neither studying nor working, although their impact has been uneven across different regions of the country (Romanian Ministry of Labour and Social Protection, 2023).

Business Sector Analysis

The Romanian business sector is characterised by a strong focus on manufacturing, information technology and agriculture. Manufacturing has been a key driver of growth, especially in the automotive and electronic components sector, with regions such as Transylvania and Western Romania becoming production hubs for European firms (OECD, 2023). However, the need to modernise production plants and improve energy efficiency remains a major challenge for the sector.

The technology sector has experienced significant growth in recent years, with Bucharest and Cluj-Napoca positioning themselves as hubs for innovation and start-ups. Romania has become an attractive destination for IT outsourcing, thanks to the availability of skilled talent and a relatively low cost of living compared to other EU countries (European Commission, 2023). This has led to a high demand for digital skills, such as software development and cybersecurity, which represents an important opportunity for young people. However, the digital skills gap remains a challenge, especially in rural regions, where access to training is more limited.

The renewable energy sector has gained importance in the Romanian economy, with increasing investment in wind and solar energy. Romania has made progress in installing wind farms in the Black Sea region and expanding solar energy in rural areas (International Energy Agency, 2023). This has created new employment opportunities in the installation, maintenance and operation of energy infrastructure, although the lack of specialised training in some areas limits the growth of the sector and the creation of high-skilled jobs.

Labour Market Situation

The Romanian labour market is characterised by a significant segmentation between employment in urban and rural areas. Large cities, such as Bucharest, Cluj-Napoca and Timișoara, concentrate most of the job opportunities, especially in technological and service sectors. However, rural regions, which still rely heavily on agriculture, face higher unemployment rates and lower availability of skilled jobs (Romanian Ministry of Labour and Social Protection, 2023). This has led to an internal migration of young people to large cities, exacerbating the depopulation of some rural areas and affecting the sustainability of local economies.

The Romanian education system has made efforts to adapt to the needs of the labour market, with an increasing focus on technical training and digital skills. However, a disconnect persists between the training offered by educational institutions and the specific demands of businesses, limiting the integration of young people into emerging sectors such as technology and renewable energy (OECD, 2023). Moreover, the quality of vocational training varies significantly across regions of the country, exacerbating inequalities in access to employment opportunities.

Opportunities and Challenges

Romania presents a number of opportunities to improve the integration of young people into the labour market, especially in growing sectors such as information technology, advanced manufacturing and renewable energy. The technology sector has experienced accelerated growth in cities such as Bucharest and Cluj-Napoca, which have established themselves as hubs for innovation and outsourcing of technology services (European Commission, 2023). This has created a high demand for young professionals with skills in software development, cybersecurity and data analytics. The availability of skilled talent and competitive labour costs have attracted many foreign technology companies to set up operations in these cities. However, the digital skills gap remains a challenge, as many companies find it difficult to fill advanced positions, especially in rural areas.

The manufacturing industry, especially the automotive and electronic components sector, remains a key pillar of the Romanian economy, generating employment in regions such as Transylvania and the west of the country (OECD, 2023). Investments in production plants and the modernisation of supply chains have created employment opportunities for young people with a technical background. However, the lack of continuous training tailored to the needs of industry may limit the ability of young people to adapt to new automation technologies and the demand for specialised skills in Industry 4.0.

The renewable energy sector also offers significant potential for youth job creation, in the context of Romania's energy transition. Investments in wind energy in the Black Sea region and the expansion of solar energy have generated employment opportunities in the installation, maintenance and operation of energy infrastructure (International Energy Agency, 2023). These investments, supported by European funds, have been particularly important in revitalising some rural areas. However, the lack of specific training in clean energy and the limited educational infrastructure in some rural regions represent barriers to the full exploitation of these employment opportunities.

Despite these opportunities, Romania faces several structural challenges affecting the integration of young people into the labour market. High youth unemployment, one of the highest in the European Union, reflects structural problems such as the high temporariness of contracts and the prevalence of unpaid traineeships, which limit young people's chances of accessing stable jobs (Eurostat, 2023). This is particularly problematic in sectors such as hospitality and commerce, where staff turnover is high and career development opportunities are limited.

Regional disparities are another significant challenge for the Romanian labour market. While large cities such as Bucharest and Cluj-Napoca concentrate most of the job opportunities and investment in innovation, rural regions, which still rely heavily on agriculture, face significantly higher unemployment rates and a lack of economic dynamism (National Bank of Romania, 2024). This has led to an internal migration of young people to urban areas, exacerbating the depopulation of some rural areas and affecting the sustainability of local communities.

Strategic Recommendations

1. **Strengthen training in digital and technological skills**: Given the growth of the technology sector in Romania, it is essential to improve the supply of training programmes in areas such as programming, cybersecurity and automation. It is recommended to encourage collaboration between universities, vocational training centres and technology companies to develop dual training programmes, combining theory with practical experience in companies in the sector. This would facilitate the integration of young people into an expanding technology market.
2. **Promote the modernisation of the manufacturing sector**: To take full advantage of the opportunities in manufacturing, it is essential to encourage the modernisation of production plants through the adoption of advanced technologies. This may include incentives for companies to invest in automation and digitisation of their production processes. In addition, the creation of specialised training programmes in these areas can prepare young people to work in high-tech industrial environments.
3. **Boost training in renewable energy and green transition**: The development of the renewable energy sector in Romania requires specific training to take full advantage of the employment opportunities offered by the energy transition. The creation of technical training programmes in solar and wind technologies, combined with the promotion of investment in renewable energy projects in rural areas, is suggested. This would facilitate job creation and help diversify the local economy in regions with high solar and wind potential.
4. **Reducing temporariness and improving job stability for young people**: It is recommended that tax incentives be implemented for companies that convert temporary contracts into permanent ones, as well as the regulation of internships to ensure that they are remunerated and offer a quality training experience. This would contribute to a better transition of young people into stable jobs and to greater equity in the labour market.
5. **Encourage investment in less developed regions to reduce disparities**: To mitigate regional inequalities, it is crucial to promote the attraction of investment to rural and less developed regions. This could include tax incentives for companies setting up in these areas, as well as programmes to support youth entrepreneurship and the development of digital infrastructure. These measures would help to boost the local economy and retain young people in their home communities.
6. **Improve coordination between the education system and the labour market**: To reduce the disconnect between academic training and labour market demands, it is essential to promote greater collaboration between government, business and educational institutions. It is recommended that dialogue platforms be created to facilitate the design of training programmes tailored to the needs of strategic sectors such as technology, advanced manufacturing and renewable energy.

Country 13:

Slovenia

Country Economic and Employment Summary

Slovenia, a small but prosperous country in the heart of Europe, has proven to be a dynamic and growing economy. Its Gross Domestic Product (GDP) is expected to grow by 3.1% in 2024, driven by a strong services sector, manufactured exports and increasing infrastructure investment (National Bank of Slovenia, 2024). Since its accession to the European Union in 2004, the country has experienced sustained growth and improved its position in the European market. However, Slovenia faces challenges such as an ageing population and the need to diversify its economy.

The labour market in Slovenia has shown signs of recovery, with the overall unemployment rate standing at around 4.5% in 2023. However, youth unemployment is a matter of concern, reaching approximately 9% (Eurostat, 2023). This figure reflects structural problems in the economy, such as the disconnection between educational attainment and labour market needs.

Demographics and Company Profile/NGOs

Slovenia has a relatively young population compared to other European countries, which represents a significant potential for economic development. However, the country faces a demographic problem related to an ageing population and the migration of young people in search of better job opportunities in other EU countries. This has created a "brain drain" phenomenon, where talented young people seek employment in larger and more competitive markets (National Bank of Slovenia, 2024).

The Slovenian business fabric is mainly composed of small and medium-sized enterprises (SMEs), which account for more than 99% of all enterprises and generate approximately 70% of employment (European Commission, 2023). SMEs are crucial to the country's economy, especially in sectors such as manufacturing, services and agriculture. Manufacturing, in particular, is a key sector that has attracted both domestic and foreign investment, contributing to job creation and economic growth.

NGOs in Slovenia play an important role in promoting social inclusion and job training for young people. Through vocational training, skills development and job search support programmes, these organisations work to improve employment opportunities for young people and facilitate their integration into the labour market. Initiatives such as the *Youth Employment Program* aim to provide training and employment for young people facing difficulties in entering the labour market (Ministry of Labour, Family, Social Affairs and Equal Opportunities of Slovenia, 2023).

Business Sector Analysis

Slovenia's business sector is diverse and characterised by a strong focus on manufacturing, services and technology. Manufacturing has been a key driver of economic growth, with sectors such as automotive, machinery and electronics attracting significant investment (OECD, 2023). Slovenian exports are central to the country's economy, and the government has implemented policies to foster competitiveness and innovation in industry.

The services sector is also crucial to Slovenia's economy, especially in areas such as tourism, education and health. Slovenia has worked to position itself as an attractive tourist destination, and although the COVID-19 pandemic temporarily affected the sector, recovery has been rapid, driven by demand for sustainable tourism and local experiences (European Commission, 2023).

The technology sector is growing and has seen an increase in the creation of start-ups and investment in research and development. Initiatives to promote innovation and digitalisation in the economy have been key to improving Slovenia's competitiveness in the European market. However, the digital skills gap remains a challenge, as many firms find it difficult to find qualified candidates (OECD, 2023).

Labour Market Situation

The Slovenian labour market is characterised by a low unemployment rate compared to the European average, but youth unemployment remains a major problem. The disconnection between formal education and labour market needs is a persistent challenge, as many young people fail to acquire the skills required by growing sectors. This underlines the need to adapt education and training programmes to the demands of the labour market (Slovenian Ministry of Labour, Family, Social Affairs and Equal Opportunities, 2023).

The digitisation of the economy has generated a growing demand for digital skills, leading to an increase in the supply of training programmes in areas such as programming, cybersecurity and digital marketing. However, the skills gap remains an issue, as many companies struggle to find candidates with advanced skills, limiting young people's ability to access jobs in emerging sectors (European Commission, 2023).

Regional disparities also affect the labour market in Slovenia. While Ljubljana and other large cities offer more employment opportunities, rural areas face lower availability of skilled jobs and higher unemployment rates. This has led to internal migration to urban areas, exacerbating depopulation in certain regions and affecting the sustainability of local communities (National Bank of Slovenia, 2024).

Opportunities and Challenges

Slovenia presents several opportunities to improve the integration of young people into the labour market, particularly through the development of digital skills, the promotion of innovation and the promotion of sustainable tourism. The growth of the technology sector in Slovenia, driven by the creation of start-ups and investment in research and development, represents a significant opportunity for young people. The high demand for skills in programming, cybersecurity and data analytics can facilitate the creation of quality jobs for young people, provided that adequate and accessible training programmes are implemented (European Commission, 2023).

The manufacturing sector remains a key pillar of the Slovenian economy, and the modernisation of factories and the adoption of advanced technologies can open up new job opportunities for technically educated youth. Investing in training and education in technical and digital skills is essential to prepare young people for the demands of an evolving labour market (OECD, 2023).

Tourism, although affected by the pandemic, has shown signs of recovery and represents another area of opportunity. Slovenia has begun to diversify its tourism offer, promoting more sustainable tourism that respects the environment and local culture. This trend can generate stable jobs in rural areas and contribute to the revitalisation of local communities. The promotion of tourism that highlights biodiversity, local gastronomy and cultural heritage can be key to attracting a public that is aware of and committed to sustainable development (International Energy Agency, 2023).

Despite these opportunities, Slovenia faces significant challenges in integrating young people into the labour market. The disconnection between the education system and the needs of the market is a persistent problem. Many young people fail to acquire the skills needed to compete in a constantly changing work environment, which limits their employment opportunities (Ministry of Labour, Family, Social Affairs and Equal Opportunities of Slovenia, 2023). In addition, the high informality of employment and the temporary nature of many contracts disproportionately affect young people, who are forced to accept low-quality jobs without stability.

Regional disparities are also a challenge. While Ljubljana and other large cities offer more employment opportunities, rural areas face lower availability of skilled jobs and higher unemployment rates. This situation has led to internal migration to urban areas, exacerbating depopulation in certain regions and affecting the sustainability of local communities (National Bank of Slovenia, 2024).

Strategic Recommendations

1. **Strengthen training in digital and technical skills**: To prepare young people for the labour market, it is crucial to invest in training programmes that focus on the digital and technical skills needed in emerging sectors. Partnerships between universities, training centres and companies can facilitate the creation of programmes that combine theory and practice, improving the employability of young people.
2. **Promote innovation in the manufacturing sector**: Modernisation of the manufacturing sector is key to seizing growth opportunities. It is recommended to encourage companies to adopt advanced technologies and to invest in training their staff. Training programmes in technical and digital skills are essential to prepare young people to work in modern industrial environments.
3. **Promote sustainable tourism**: To capitalise on the potential of tourism, there is a need to develop sustainable tourism management training programmes that prepare young people for roles in the tourism industry. This could include promoting responsible tourism practices that respect the environment and local culture, as well as supporting ecotourism initiatives.
4. **Reduce informality and improve job stability**: To address high employment informality, it is suggested to implement policies that encourage firms to offer permanent contracts to young people. In addition, it is essential to regulate internships to ensure that they are remunerated and provide meaningful training experience.
5. **Encourage investment in less developed regions**: To mitigate regional disparities, it is essential to promote the attraction of investment to rural and less developed areas. This could include incentives for businesses to locate in these regions, as well as the development of infrastructure that improves connectivity and access to services.
6. **Improve co-ordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. It is recommended that dialogue platforms be established to facilitate the design of training programmes tailored to the needs of strategic sectors such as technology, manufacturing and tourism.

Country 14:

Saint Martin

Country Economic and Employment Summary

Saint Martin, an island in the Caribbean, is divided into two territories: the northern part, which is a collectivity of France, and the southern part, which is an autonomous territory of the Netherlands. This particularity has given rise to two economies which, although interrelated, have distinct characteristics. Saint Martin's economy is largely based on tourism, which is a key source of income and employment. Following the impact of the COVID-19 pandemic and natural disasters such as Hurricane Irma in 2017, tourism has experienced significant fluctuations (INSEE, 2024). By 2024, Gross Domestic Product (GDP) is expected to grow by 2.5% thanks to the recovery of the tourism sector and investment in infrastructure.

The unemployment rate in Saint Martin is relatively high at around 25%, with youth unemployment reaching approximately 35% (Eurostat, 2023). These figures reflect structural challenges in the labour market, which are exacerbated by the temporary nature of many jobs in the tourism sector and the lack of economic diversification.

Demographics and Company Profile/NGOs

Saint Martin has a diverse population, composed of a mix of local and expatriate communities. This cultural diversity can be an asset for the development of inclusive and sustainable tourism. However, the island's economy faces a significant problem related to the emigration of young people in search of better job opportunities abroad. The lack of stable and high quality opportunities on the island has led many to seek employment elsewhere in the Caribbean or in the French metropolis (INSEE, 2024).

Saint Martin's business fabric is mainly composed of small and medium-sized enterprises (SMEs), which are crucial to the local economy. Tourism is the dominant sector, with many SMEs operating in hotels, restaurants and tourism-related services. However, the island's economy is not sufficiently diversified, making it vulnerable to external shocks (European Commission, 2023). In addition, infrastructure damaged by natural disasters has limited the ability of many businesses to operate effectively and has affected their long-term sustainability.

NGOs in Saint Martin play an important role in promoting the social and economic development of the community. These organisations work in areas such as job training, entrepreneurship and environmental protection, with the aim of improving the quality of life of residents and fostering social inclusion. Vocational training programmes and support for young entrepreneurs are essential to help young people integrate into the labour market and develop skills that are relevant to the local economy (French Ministry of Employment, 2023).

Business Sector Analysis

Saint Martin's business sector is characterised by its heavy reliance on tourism, which accounts for a significant share of GDP and employment. The island attracts tourists for its beaches, culture and recreational activities, which has led to a growth in investment in tourism infrastructure and related services. However, the high seasonality of tourism can result in a precarious labour supply, with many temporary jobs and low wages, affecting the economic stability of young people (OECD, 2023).

The construction sector has also been important for the Saint Martin economy, especially after the damage caused by Hurricane Irma. The reconstruction of infrastructure and housing has generated employment opportunities, although these tend to be temporary. Investment in infrastructure rehabilitation can provide employment, but there is a need to ensure that strategies are integrated to enable young people to acquire lasting skills in the sector (European Commission, 2023).

The development of the local economy would benefit from further diversification into sectors such as sustainable agriculture, technology and the green economy. Local food production, although limited, has the potential to improve food security and offer new employment opportunities, especially in the context of more sustainable tourism. Initiatives that promote sustainability and respect for the environment are increasingly relevant in attracting an aware and committed public to sustainable development (International Energy Agency, 2023).

Labour Market Situation

The labour market in Saint Martin is characterised by a high unemployment rate, particularly among young people, reflecting the lack of stable and quality employment opportunities. The disconnect between academic training and market needs is a persistent problem, as many young people fail to acquire the skills required by growing sectors (French Ministry of Employment, 2023). This skills gap limits job opportunities and increases uncertainty in the labour market.

The temporary nature of jobs, especially in the tourism sector, is a challenge that affects many young people. Many of them are forced to accept temporary or low-level jobs, which limits their ability to establish themselves economically and plan their future. High competition in the labour market, coupled with a lack of previous experience, makes it difficult for young people to secure permanent jobs.

Disparities in access to education and training also affect the labour market in St. Martin. Although there are efforts by NGOs and the government to provide training programmes, the availability of quality educational opportunities is limited, especially in rural areas. This has led to internal migration to urban areas in search of better educational and employment opportunities.

Opportunities and Challenges

Saint Martin faces multiple opportunities to improve the integration of young people into the labour market, particularly through sustainable tourism development, economic diversification and the promotion of digital skills. The tourism sector is crucial to the island's economy, and the post-pandemic recovery has allowed for a resurgence in demand. To capitalise on this trend, Martinique could promote ecotourism and cultural tourism, which not only attract an environmentally conscious public, but also offer stable and quality jobs for young people (European Commission, 2023). Promoting tourism experiences that highlight local culture and sustainability can contribute to more resilient economic growth.

Diversification of the economy into alternative sectors, such as sustainable agriculture, is another significant opportunity. Local food production can help improve food security and offer new job opportunities. Implementing initiatives that support organic farming and the production of local products can not only provide employment, but can also improve the quality of life of the local population and reduce dependence on imports (International Energy Agency, 2023).

Digitalisation also represents a key opportunity for Saint Martin's youth. The growing demand for digital skills in various sectors, including tourism and technology, requires young people to acquire skills in areas such as digital marketing, e-commerce and software development. Investing in training programmes that offer these skills is essential to prepare young people for the future of work and improve their job prospects (French Ministry of Employment, 2023).

However, Saint Martin faces several challenges that hinder the integration of young people into the labour market. High youth unemployment is a symptom of structural problems, such as the disconnect between academic training and the demands of the labour market. Many young people lack the necessary skills to compete in a constantly changing labour environment. In addition, the high temporariness and precariousness of many jobs in the tourism sector further complicate the situation, limiting stable employment opportunities (Eurostat, 2023).

Infrastructure damaged by natural disasters and lack of investment in education and training are additional barriers to labour market growth. Rural areas, in particular, face a greater shortage of skilled employment and training opportunities, exacerbating the internal migration of young people to cities in search of better opportunities.

Strategic Recommendations

1. **Develop sustainable and diversified tourism**: Promoting ecotourism and cultural tourism can help diversify the economy and create stable jobs for young people. It is recommended that training programmes in sustainable tourism management be created to prepare young people for roles in the tourism industry, promoting practices that respect the environment and local culture.
2. **Promote agricultural diversification**: To improve economic sustainability and create new employment opportunities, it is suggested that sustainable agriculture and local food production be encouraged. Initiatives that support organic farming and the development of markets for local products can provide young people with new job opportunities and help improve food security.
3. **Invest in digital skills training**: Given the growing demand for digital skills, it is crucial to invest in training programmes that prepare young people for jobs in the digital sector. Partnerships between technology companies and educational institutions can facilitate access to digital skills training programmes, enabling young people to acquire relevant skills for the labour market.
4. **Reduce temporariness and improve the quality of internships**: To address the high temporariness affecting young people, it is recommended to implement incentives for companies to offer permanent contracts. In addition, it is essential to regulate internships to ensure that they are remunerated and provide meaningful training experience.
5. **Encourage investment in infrastructure and training**: To mitigate disparities in access to employment and training, it is essential to invest in improving infrastructure in rural areas and in the creation of training centres that offer courses adapted to market needs. This will help retain young people in their communities and improve their quality of life.
6. **Improve co-ordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. It is recommended that dialogue platforms be established to facilitate the design of training programmes tailored to the needs of strategic sectors such as tourism, agriculture and technology.

Country 15:

Spain

Country Economic and Employment Summary

Spain, the fourth largest economy in the Eurozone, has shown signs of recovery after the crisis generated by the COVID-19 pandemic. In 2024, Gross Domestic Product (GDP) growth of around 2.1% is expected, driven mainly by the implementation of the *NextGenerationEU* recovery plan, which emphasises digital transformation and sustainability (European Commission, 2023). This plan has been instrumental in boosting strategic sectors such as renewable energy and digitalisation, attracting investment and generating new employment opportunities.

However, the economic recovery faces several challenges, including a high unemployment rate, which at the end of 2023 stood at 12.4%, one of the highest in the Eurozone (World Bank, 2023). This indicator is even more worrying when looking at the youth unemployment rate, which exceeds 28%, a figure well above the European average of 6.4% (OECD, 2023). These figures reflect a labour structure that continues to face structural problems, such as the high temporality of contracts and the lack of alignment between the skills of young people and the demands of the market.

The Spanish economy is characterised by a strong dependence on sectors such as tourism, which contributes approximately 12% of GDP and employs more than 2.7 million people. Although this sector has shown signs of recovery, especially in the area of eco- and luxury tourism, it remains vulnerable to global fluctuations and changes in travellers' preferences (OECD, 2023). In addition, agriculture continues to play an important role in rural areas, notably in the production of olive oil, wine and fresh produce, with a growing focus on organic farming.

Demographics and Company Profile/NGOs

Spain has an ageing population, which has led to an increase in demand for care services, especially in rural areas where depopulation is a constant concern. This trend has opened up opportunities in the care sector, both for private companies and for non-governmental organisations (NGOs) operating in the social field. However, the low birth rate and the emigration of young people to other regions of Europe in search of better job opportunities aggravate the problem of population loss in certain territories, affecting social cohesion and the sustainability of local services.

Spain's business fabric is dominated by small and medium-sized enterprises (SMEs), which account for 99.8% of the country's businesses and generate approximately 75% of employment (European Commission, 2023). SMEs play a crucial role in sectors such as commerce, construction and hospitality, and are central to the economic dynamism of rural and urban areas. However, these enterprises often face difficulties in competing with large corporations, especially in terms of access to finance and ability to attract and retain young talent.

NGOs in Spain play an important role in the provision of social services and the integration of vulnerable groups. Many of these organisations focus on training and accompanying young people to facilitate their integration into the labour market, especially in sectors with high labour demand, such as the green economy and information and communication technologies (ICT). In addition, NGOs actively collaborate with the public and private sector to develop training and internship programmes, which allows them to build bridges between young people and the labour market.

Business Sector Analysis

The business sector in Spain is mainly composed of small and medium-sized enterprises (SMEs), which constitute 99.8% of the country's business fabric and are responsible for approximately 75% of employment (European Commission, 2023). SMEs are particularly relevant in traditional sectors such as commerce, construction, and tourism, as well as in food and beverage production, with a significant presence in rural areas. They play a key role in the local economy, contributing to the generation of employment and the maintenance of economic activity in regions otherwise at risk of depopulation.

Despite their importance, SMEs face important challenges that limit their competitiveness and ability to grow. One of the most significant problems is access to finance, which has improved in recent years but remains an obstacle to the expansion of many small firms (OECD, 2023). In addition, small firms often find it difficult to adapt to new technologies and changes in the global marketplace, which puts them at a disadvantage compared to large multinationals, especially in fast-growing sectors such as technology and digital innovation.

The technology and digitalisation sector has grown significantly in Spain, driven by the *NextGenerationEU* recovery plan, which has promoted investments in digital infrastructure and skills training (European Commission, 2023). IT, cybersecurity and e-commerce companies have boomed, generating employment opportunities in these fields. However, the supply of skilled talent does not always match market demand, which has led to a shortage of workers with advanced digital skills.

Another relevant sector is energy, where Spain has shown a strong commitment to the transition to renewable energy, especially in solar and wind power generation. The country has become a European leader in this area, with the share of renewables accounting for 46% of electricity generation in 2023 (World Bank, 2023). This growth has boosted job creation in areas such as solar plant installation and wind farm operation, opening up new opportunities for young people, especially in rural areas seeking to diversify their economy.

Labour Market Situation

The Spanish labour market has specific characteristics that differentiate it from the rest of the Eurozone, with high unemployment being one of the main concerns. Despite recent efforts to reduce the temporary nature of contracts, this is still a predominant feature of the Spanish labour market, especially affecting young people. In 2023, more than 20% of employment contracts were of a temporary nature, which generates instability and makes long-term planning difficult for those in the early stages of their careers (Ministry of Labour and Social Economy, 2023).

Youth unemployment, at over 28%, reflects a disconnect between the education system and the needs of the labour market. Although the government has implemented vocational training and employment programmes for young people, such as the Youth Employment Programme and the Youth Guarantee, these efforts have not always succeeded in closing the skills gap, especially in emerging sectors such as technology and the green economy (Exit Foundation, 2023). This is compounded by the difficulty for many companies, especially SMEs, to bear the costs associated with hiring young and inexperienced staff.

In rural areas, youth unemployment is of particular concern due to the lack of job opportunities outside traditional sectors such as agriculture and tourism. Although agriculture remains an important economic pillar in many regions, employment opportunities for young people in this sector are limited, and working conditions are not always attractive. However, the growing demand for organic and sustainable products is opening up new market niches that could become a source of employment for young people, provided that training and entrepreneurship initiatives in these areas are encouraged.

On the other hand, tourism, which constitutes a significant share of Spanish GDP, has shown signs of recovery after the pandemic, but remains vulnerable to international fluctuations and global economic uncertainty. Although it offers short-term employment opportunities, especially during the high season, these opportunities are predominantly temporary and low-paid, which does not facilitate the creation of solid career paths for young people (OECD, 2023).

Opportunities and Challenges

The labour market in Spain presents both significant opportunities and challenges that need to be addressed to facilitate the integration of young people into quality employment. One of the main opportunities lies in boosting digitalisation and the transition to a green economy, both sectors with high potential for the creation of new jobs. The country's strategy to foster digitalisation, supported by the *NextGenerationEU* plan, has led to an increase in demand for professionals in areas such as artificial intelligence, cybersecurity and data analytics. This has opened up a range of opportunities for young people seeking training in these emerging skills (European Commission, 2023). However, to capitalise on these opportunities, it is crucial that the education system and vocational training programmes are aligned with the needs of the market, which has been a major challenge so far.

The renewable energy sector also has a high growth potential, especially in rural areas, where the installation of solar and wind power plants can generate direct and indirect jobs. The transition to cleaner energy sources not only responds to the EU's climate objectives, but also creates the possibility of revitalising areas with high rates of depopulation, attracting young people to projects that combine innovation and sustainable development (World Bank, 2023). Furthermore, the growing demand for organic products and the promotion of sustainable agriculture offer a niche market that can be exploited by young entrepreneurs, especially in regions with a strong agricultural tradition.

However, there are structural challenges that limit the full exploitation of these opportunities. The high rate of temporary employment and the rigidity of the labour market hinder the stability of youth jobs, resulting in fragmented employment trajectories and a reduced ability to access finance or basic services such as housing. Despite the reforms implemented by the government to encourage permanent contracts, the structure of the market still favours temporary contracts, especially in sectors such as hospitality and construction (Ministry of Labour and Social Economy, 2023). This type of contract offers less social protection and stability, which particularly affects young people at an early stage of their professional career.

Another relevant challenge is the skills gap between the training young people receive and the demands of the market. Companies, especially in the technology sector, frequently point out the difficulty in finding candidates with the necessary skills to fill positions related to digitalisation and the green economy. This highlights the need to strengthen collaboration between the education system, companies and civil society organisations to develop training programmes that respond to the current needs of the labour market (Fundación Exit, 2023).

In addition, the depopulation of rural areas and the concentration of opportunities in large cities represent an obstacle to youth labour integration in certain regions. Although rural development initiatives have sought to promote the return of young people to the countryside, the lack of infrastructure and limited economic diversification limit the attractiveness of these areas as places for youth to live and work. Without a coordinated approach that addresses these regional disparities, it will be difficult to reduce the gap between urban and rural employment opportunities.

Strategic Recommendations

To address these challenges and enhance employment opportunities for young people in Spain, a series of strategic recommendations are proposed that can be implemented both at the public policy level and by the private sector and civil society:

1. **Strengthening training programmes in digital and green skills**: Given the growth in demand in sectors such as technology and renewable energy, it is crucial that vocational training programmes and universities adapt their curricula to these needs. This may include the creation of partnerships between educational institutions and technology companies for the development of training programmes to ensure the availability of qualified talent. It is also recommended to promote internship and scholarship programmes that allow young people to gain practical experience in these sectors, facilitating their transition to the labour market.
2. **Incentives for youth hiring**: To combat the high rate of temporary employment, it is suggested that tax incentives be implemented to encourage the permanent hiring of young people. This could include bonuses for companies that convert temporary contracts into permanent ones or that hire young people in strategic sectors such as the green economy. These measures should be complemented by mentoring and coaching programmes, aimed at improving the integration of young people in companies and ensuring that initial work experience translates into long-term career development opportunities.
3. **Development of rural entrepreneurship initiatives**: Faced with the challenge of depopulation and lack of opportunities in rural areas, it is recommended that youth entrepreneurship in rural areas be encouraged through programmes to support the creation of businesses that respond to local needs. This includes facilitating access to finance, offering specific training in business management and promoting support networks for young entrepreneurs. Initiatives such as the promotion of agro-ecology and sustainable tourism can be key to revitalising these areas and attracting young people interested in developing projects linked to local development and sustainability.
4. **Fostering public-private partnerships**: Partnerships between the public, private and NGO sectors are essential to create a favourable ecosystem for youth employability. It is recommended to establish local roundtables that integrate all these actors to

identify specific labour market needs and develop tailor-made solutions for each territory. This collaboration can be particularly useful in the creation of tailor-made training programmes targeted at high-demand sectors, as well as in facilitating the integration of young people into the labour market through internships and apprenticeships.

5. **Strengthening career guidance and mentoring**: It is essential that young people have guidance tools that enable them to learn about available job opportunities and plan their career path. It is recommended to develop mentoring programmes that connect young people with professionals in their area of interest, as well as to improve career guidance in schools. This can help to reduce the disconnect between young people's expectations and the reality of the labour market, facilitating faster and more effective integration.

Country 16:

The Netherlands

Country Economic and Employment Summary

The Netherlands is one of the most dynamic economies in the European Union, noted for its high level of digitalisation, innovation and a strong logistics infrastructure connecting Europe to the world. Its Gross Domestic Product (GDP) is expected to grow by around 1.7% in 2024, driven by sectors such as technology, logistics and renewable energy (Central Bank of the Netherlands, 2024). Despite economic stability, the country also faces challenges stemming from the energy crisis and changes in global supply chains.

The overall unemployment rate in the Netherlands is low, standing at 3.6% in 2023, while youth unemployment reaches 7.8% (Eurostat, 2023). This relatively low level of youth unemployment is due to the high participation of young people in the dual training system, which facilitates their transition from education to the labour market. However, competition for high-skilled jobs is intense, especially in emerging sectors such as information technology and sustainability.

Demographics and Company Profile/NGOs

With a stable working population and a low birth rate, the Netherlands faces a demographic challenge related to the ageing of its population. This phenomenon has led the country to implement policies aimed at attracting qualified foreign talent and encouraging the integration of young people into the labour market. The demand for labour in sectors such as healthcare and logistics has increased, creating new opportunities for young people in areas such as supply chain management and care services (Netherlands Central Bank, 2024).

The Dutch business fabric is characterised by a combination of large multinationals and a vibrant ecosystem of small and medium-sized enterprises (SMEs). Multinationals such as Philips, Shell and ASML lead innovation in sectors such as technology, energy and advanced manufacturing. At the same time, SMEs play an essential role in the local economy, representing 99.7% of all enterprises and generating 60% of employment (European Commission, 2023). Metropolitan areas, such as Amsterdam and Eindhoven, have become centres of innovation, especially in technology and renewable energy.

NGOs in the Netherlands play an important role in promoting the labour and social inclusion of young people, particularly those in vulnerable situations. Through training and mentoring programmes, these organisations help young people with a migrant background and those who have dropped out of the education system to integrate into the labour market. Programmes such as *Jongeren op de Arbeidsmarkt* have facilitated the insertion of young people in sectors where labour demand is high, such as logistics and green technology (Netherlands Ministry of Social Affairs and Employment, 2023).

Business Sector Analysis

The Dutch business sector is one of the most competitive in Europe, with a strong capacity to innovate and adapt to new global market demands. The presence of leading technology companies, such as ASML, has made the country a leader in semiconductor production and research in advanced technologies such as artificial intelligence and photonics (OECD, 2023). This sector offers ample employment opportunities for young people with backgrounds in engineering, information technology and data analytics.

The renewable energy sector has also gained importance in the Dutch economy, driven by the country's climate commitments and EU policies. The Netherlands has made significant progress in the installation of offshore wind farms and the expansion of solar energy, creating jobs in the construction, operation and maintenance of these infrastructures (International Energy Agency, 2023). These investments have created opportunities for young people interested in the energy transition, although the lack of skilled personnel in some areas remains a challenge.

Logistics and international trade are key pillars of the Dutch economy, thanks to the strategic position of the port of Rotterdam and Schiphol airport. The digitalisation of the supply chain and the automation of logistics processes have transformed the sector, increasing the demand for young people with skills in logistics, international trade and IT (European Commission, 2023). However, automation has also reduced the demand for certain types of manual labour, affecting young people with lower skill levels.

Labour Market Situation

The Dutch labour market is known for its flexibility and the high participation of young people in the dual training system. This system allows students to combine academic training with practical experience in companies, making it easier for them to adapt to the needs of the labour market (Netherlands Ministry of Social Affairs and Employment, 2023). Dual training has been particularly effective in sectors such as advanced manufacturing, technology and logistics, contributing to maintaining low levels of youth unemployment.

Despite the advantages of the dual training system, some young people face challenges in accessing stable jobs, especially in sectors where competition for high-skilled positions is intense. The digital skills gap has been a growing challenge, as many firms struggle to find candidates with advanced skills in areas such as cybersecurity and artificial intelligence (OECD, 2023). This highlights the need to adapt educational training to emerging market demands.

In terms of regional disparities, most employment opportunities are concentrated in metropolitan areas such as Amsterdam, Rotterdam and Eindhoven. This has led to internal migration of young people to these cities in search of better job opportunities, which has contributed to the depopulation of some rural areas. Despite efforts to foster regional development, differences in the availability of services and infrastructure continue to limit opportunities in less urbanised regions (Netherlands Central Bank, 2024).

Opportunities and Challenges

The Netherlands offers a very favourable environment for the integration of young people into the labour market, especially in high-tech, renewable energy and logistics sectors. Strong investment in innovation and the presence of an advanced technological ecosystem have allowed areas such as Amsterdam and Eindhoven to become centres of attraction for start-ups and technology companies. This has led to a high demand for young professionals with skills in artificial intelligence, software development and data analytics (European Commission, 2023). However, the rapid evolution of these technologies has also created a skills gap, as companies often find it difficult to fill positions that require specific and advanced digital technology skills.

The renewable energy sector is another important driver of the Dutch economy. The Netherlands has made significant progress in the expansion of offshore wind energy, especially in the North Sea, and in the installation of solar infrastructure. These developments have created employment opportunities in the installation, maintenance and operation of wind and solar farms, especially for young people interested in sustainability and energy transition (International Energy Agency, 2023). However, the shortage of technically trained workers in these areas may limit the pace of growth in this sector, underlining the need to strengthen specialised training.

Logistics and international trade are pillars of the Dutch economy, thanks to the country's strategic position in Europe and the port of Rotterdam, one of the largest on the continent. This sector has been transformed by the digitisation of supply chains, which has generated demand for skills in supply chain management and logistics information technology (OECD, 2023). The digitisation of this sector offers significant opportunities for young people, especially those with a background in information technology and automation processes. However, automation has also reduced the demand for manual jobs, affecting young people with lower skill levels.

Despite these opportunities, the Netherlands faces several challenges that may limit the integration of young people into the labour market. Competition for high-skilled jobs is intense, especially in technology sectors, which may make it difficult for those without advanced training to access stable jobs. In addition, the high demand for digital skills has highlighted the need for greater flexibility in the education system to adapt to market demands and to strengthen lifelong learning programmes (OECD, 2023).

The integration of young people with a migrant background is another relevant challenge. Although the Netherlands has social inclusion policies in place, differences in employment rates persist between young people with a migrant background and the local population. Language barriers and the difficulty of validating qualifications obtained abroad are obstacles that limit the employment opportunities of these young people, especially in sectors that require a high level of specialisation (Netherlands Ministry of Social Affairs and Employment, 2023).

Strategic Recommendations

1. **Strengthen training in digital and technological skills**: Given the growth of the technology sector and the demand for advanced digital skills, it is essential to improve the supply of training programmes in areas such as cybersecurity, artificial intelligence and automation. It is recommended to foster collaboration between universities, vocational training centres and technology companies, developing dual training programmes that combine theory with practical experience.
2. **Promote the integration of young migrants through skills validation programmes**: To improve the inclusion of young people with a migrant background, it is

suggested that programmes be set up to facilitate the validation of diplomas and skills acquired abroad, combined with Dutch language training. This would help to reduce barriers limiting their access to skilled jobs and improve their integration into the labour market.

3. **Incentivise training in renewable energy and the green transition**: Given the potential of the renewable energy sector in the Netherlands, it is crucial to encourage specialised training in green technologies. This can include setting up scholarship programmes for young people wishing to study clean energy, as well as working with companies in the sector to offer paid internships to facilitate the acquisition of practical experience.
4. **Support youth entrepreneurship in technology and logistics**: The start-up ecosystem in the Netherlands provides a conducive environment for young people to develop their own businesses, especially in sectors such as technology and logistics. Incubators and mentoring programmes for young entrepreneurs are recommended, facilitating their access to funding and networking with industry experts.
5. **Encourage regional development to reduce disparities**: To mitigate the concentration of job opportunities in metropolitan areas, it is suggested to develop incentives for businesses to locate in less developed regions. This could include tax breaks and programmes to support the digitisation of rural businesses, as well as improving infrastructure in these areas to attract young people.
6. **Improve career guidance and lifelong** learning: In order to ensure that young people can adapt to changes in the labour market, it is essential to promote career guidance from an early age and offer lifelong learning programmes. This will enable young people to update their skills and adapt to the demands of growing sectors such as technology and sustainability.

Country 17:

Turkey

Country Economic and Employment Summary

Turkey is one of the largest and most dynamic economies in the region, with a Gross Domestic Product (GDP) projected to grow by 3.5% in 2024, driven by the recovery of domestic consumption, infrastructure investment and the export of manufactured goods (Central Bank of Turkey, 2024). The country benefits from its strategic position between Europe and Asia, which facilitates international trade and foreign investment. However, Turkey faces significant challenges, such as high inflation, economic instability and political tensions, which have affected its business environment.

The Turkish labour market has shown signs of recovery, with the overall unemployment rate standing at around 10.5% in 2023. However, youth unemployment is an alarming problem, reaching approximately 20% (Eurostat, 2023). This situation reflects the disconnection between the education system and the demands of the labour market, as well as the high rate of informality in employment, which mainly affects young people.

Demographics and Company Profile/NGOs

Turkey has a young and growing population, which represents a significant potential for the country's economic development. However, high youth unemployment and the emigration of young people in search of better opportunities have created a worrying phenomenon that limits the country's ability to harness its human capital. Many young people seek opportunities abroad, contributing to brain drain and loss of talent (Central Bank of Turkey, 2024).

The Turkish business fabric is mostly composed of small and medium-sized enterprises (SMEs), which account for about 99% of all enterprises and are responsible for about 70% of employment (European Commission, 2023). SMEs are essential to the economy, especially in sectors such as manufacturing, trade and services. However, these enterprises often face challenges related to access to finance, bureaucracy and market competition.

NGOs in Turkey play an important role in promoting social inclusion and youth empowerment. Through vocational training programmes, skills development and support for job creation, these organisations work to improve employment opportunities for young people. Initiatives such as the *Youth Employment Program* seek to provide training and employment for unemployed youth, although their impact may be limited by a lack of resources and the policy environment (Turkish Ministry of Labour and Social Security, 2023).

Business Sector Analysis

The Turkish business sector is diverse and characterised by a strong focus on manufacturing, agriculture and services. Manufacturing has been a key driver of economic growth, with sectors such as automotive, textiles and electronics attracting both domestic and foreign investment (OECD, 2023). Turkish exports, which include manufactured and agricultural products, have contributed to GDP growth, but the economy also faces challenges related to exchange rate volatility and inflation.

The agricultural sector remains important in Turkey, although its contribution to GDP has declined in recent years. Agricultural production is based on the country's diversity of climates and soils, which allows a variety of crops to be grown. However, agriculture faces problems such as lack of modernisation and limited access to advanced technologies, which may limit the sector's competitiveness (European Commission, 2023).

The services sector, which includes tourism, education and health, has grown significantly in Turkey. Tourism, in particular, is a key sector that attracts millions of visitors each year, contributing significantly to GDP and employment. However, the COVID-19 pandemic severely affected the sector, and recovery has been slow, posing additional challenges for young people seeking employment in this field (International Energy Agency, 2023).

Labour Market Situation

The Turkish labour market is characterised by high unemployment, especially among young people, reflecting structural problems in the economy. The disconnect between educational attainment and market needs is a persistent challenge, as many young people fail to acquire the skills required to compete in a constantly evolving labour environment (Turkish Ministry of Labour and Social Security, 2023). Employment informality is also high, making it difficult to create quality jobs and protect labour rights.

Digitalisation and automation are transforming the labour market in Turkey, generating a growing demand for skills in areas such as programming, digital marketing and cybersecurity. However, the skills gap remains an issue, as many firms struggle to find qualified candidates, limiting young people's ability to access jobs in emerging sectors (OECD, 2023).

Regional disparities also affect the labour market in Turkey. While cities such as Istanbul and Ankara offer more employment opportunities in high-skilled sectors, many rural regions face higher unemployment rates and lower availability of skilled jobs. Internal migration to large cities has contributed to the depopulation of some rural areas, affecting their economic development and the quality of life of their residents (Central Bank of Turkey, 2024).

Opportunities and Challenges

Turkey offers a number of opportunities to improve the integration of young people into the labour market, particularly in sectors such as technology, manufacturing and sustainable tourism. The growth of the technology sector, driven by a growing demand for digital solutions and an increasingly digitised economy, represents a significant opportunity for young people. The creation of a startup ecosystem and investment in technological innovation in cities such as Istanbul and Ankara has generated high demand for skills in areas such as software development, cybersecurity and data analytics (European Commission, 2023). This provides a favourable environment for young people to acquire relevant skills and access high-quality jobs.

The manufacturing sector remains a key pillar of the Turkish economy and offers opportunities for young people, especially in areas such as automotive, textiles and electronics. The modernisation of industry and the adoption of advanced technologies, such as automation and digitalisation, may generate additional demand for young, technically trained talent (OECD, 2023). Technical skills training and dual training in partnership with companies are essential strategies to prepare young people for the future of work in this sector.

Tourism is another sector with a high potential for youth employment creation. With the recovery of tourism after the pandemic, Turkey has the opportunity to diversify its offer, promoting sustainable tourism that respects the environment and local culture. Initiatives that promote ecotourism and cultural tourism can generate stable, quality jobs in regions that have traditionally relied on seasonal tourism, thus improving the employment situation of young people (International Energy Agency, 2023).

Despite these opportunities, Turkey faces several significant challenges. The high youth unemployment rate is an indicator of structural problems in the economy, such as the disconnect between education and the labour market. Many young people fail to acquire the skills needed to compete in a constantly changing labour environment, which limits their employment opportunities (Turkish Ministry of Labour and Social Security, 2023). In addition, the high temporariness of many jobs in the tourism sector and the informality of employment disproportionately affect young people, who often have to accept low-level and temporary jobs.

Regional disparities are another major challenge. Employment opportunities are concentrated in large cities, such as Istanbul and Ankara, while rural regions face higher unemployment rates and lower availability of skilled jobs. This has led to internal migration of young people to cities, exacerbating depopulation in rural areas and affecting their economic development (Central Bank of Turkey, 2024).

Strategic Recommendations

1. **Strengthen training in digital and technical skills**: Given the growth of the technology sector, it is essential to invest in training programmes that prepare young people for jobs in digital areas. Partnerships between universities, training

centres and technology companies can facilitate access to training programmes that combine theory and practice, improving the employability of young people.

2. **Promote the modernisation of the manufacturing sector**: To take advantage of opportunities in manufacturing, it is recommended that firms be encouraged to adopt advanced technologies and invest in the training of their staff. Technical training programmes that focus on the skills needed to operate in a modern industrial environment are crucial to prepare young people for the labour market.
3. **Develop sustainable and diversified tourism**: Promoting sustainable tourism can be key to diversifying the economy and creating stable jobs for young people. It is recommended to implement training programmes in sustainable tourism management and promote practices that respect the environment and local culture, attracting a sustainability-conscious public.
4. **Reduce temporariness and improve job stability**: To address the high temporariness in employment, it is suggested to implement policies that encourage companies to offer permanent contracts to young people. This could include tax incentives and subsidies to encourage the creation of stable and quality jobs.
5. **Encourage investment in less developed regions**: To mitigate regional disparities, it is crucial to promote the attraction of investment to rural and less developed areas. This could include incentives for businesses to locate in these regions and the development of infrastructure that improves connectivity and access to services.
6. **Improve co-ordination between the education system and the labour market**: To reduce the disconnect between academic training and market demands, it is essential to promote greater collaboration between government, business and educational institutions. Creating platforms for dialogue to facilitate the design of training programmes tailored to the needs of strategic sectors such as technology, manufacturing and tourism is key to ensuring that young people are prepared for the labour market.

5. Comparison and Contrast between the Countries Under Review

a. Common Factors and Key Differences

The analysis of the countries that are part of the International Network reveals a diversity of economic and employment dynamics that affect the integration of young people into the labour market. Although all countries share some challenges and opportunities arising from their membership of the European Union and the implementation of common policies, there are significant differences that affect youth employment conditions.

The common factors and key differences between the countries are presented below, with particular emphasis on the status of professional practices and their regulation, a comparative analysis of market opportunities and an assessment of the risks associated with each context.

High Youth Unemployment Rate

Most of the countries analysed share the problem of high youth unemployment, although with significant variations between them. This is especially relevant in southern Europe, such as in Spain, Greece and Italy, where rates exceed 20% (Eurostat, 2023). Despite EU programmes aimed at improving the employability of young people, the disconnection between educational attainment and market needs remains a central problem. Even in countries with more stable economies, such as Germany and Denmark, youth unemployment remains a challenge, albeit to a lesser extent, reflecting the need to better match educational provision with labour market demands (European Commission, 2023).

Dependence on Tourism

Many countries in the network, especially Mediterranean countries such as Greece, Italy, Cyprus and Spain, rely heavily on tourism as an economic driver. This has generated numerous job opportunities for young people, but has also created a strong seasonality in employment, with a high proportion of temporary and precarious jobs that hinder the economic stability of the young population (International Labour Organization [ILO], 2023). The seasonality of tourism means that many young people are employed for a few months of the year, but lack stability for the rest, which can limit their career development and access to social benefits such as social security.

Strong SME presence

The economic structure of most countries is based on small and medium-sized enterprises (SMEs), which are key to the generation of youth employment. SMEs account for approximately 99% of all enterprises in these countries, reflecting their importance in local economic dynamism. However, many of these enterprises face difficulties in accessing finance and adapting to digitalisation, which can limit their ability to create quality jobs (European Commission, 2023). In addition, the lack of resources of many SMEs hampers their ability to offer paid internships, thus affecting the quality of young people's training experience.

Internships and Legislative Situation

The regulation and quality of internships vary significantly across the countries of the International Network, directly influencing the employability of young people. In some countries, such as Germany and Denmark, internships are well regulated and are part of a dual training system that combines formal education with workplace experience. This approach facilitates a direct transition to employment, as young people acquire specific skills and are integrated into the organisational culture of companies from the start of their training (OECD, 2023). Internships in these countries are often paid and have a regulatory framework that ensures the protection of young people's rights, including a minimum wage and access to social security.

On the other hand, in countries such as Spain, Greece and Italy, the situation is different. Although internships are an important component for labour market integration, the lack of clear regulation and the prevalence of unpaid or low-quality internships are a significant obstacle. In many cases, young people undertake traineeships in enterprises without receiving adequate financial compensation, which limits their ability to support themselves during the training period (Eurostat, 2023). This also creates inequalities, as only those with financial support can afford unpaid traineeships, leaving many young people unable to access these training opportunities.

The European Union has attempted to address these disparities through initiatives such as the *Quality Framework for Traineeships*, which seeks to establish minimum standards for traineeships, including fair remuneration and quality training (European Commission, 2023). However, the implementation of these recommendations varies between countries, resulting in an uneven experience for young people. In Romania and Bulgaria, for example, implementation of these guidelines has been slower, and many internships still lack a quality assurance framework, limiting the positive impact they could have on youth employability.

Key Differences in the Status of Traineeships

The difference in the regulation of traineeships reflects wider disparities in the way each country approaches the integration of young people into the labour market. In Germany and Denmark, the dual training system ensures that internships are not only a training experience, but a direct route to stable employment. In contrast, in countries such as Spain, Italy and Greece, internships often do not ensure subsequent job placement, which generates frustration among young people and contributes to the perception that job opportunities are insufficient or of low quality.

This lack of regulation and the scarce supply of quality internships have a significant impact on young people's perception of their professional future and on their motivation to participate in the labour market. In many cases, the precariousness of internships may even encourage the migration of qualified young people to countries with better training and employment opportunities, such as Germany and the Netherlands, contributing to the brain drain from southern and eastern Europe to the north (OECD, 2023).

b. Comparative Market Opportunity Analysis

The assessment of market opportunities for youth integration highlights how each country in the network has specific strengths that can be exploited to improve the employment situation of young people. These opportunities vary according to each country's economic structure and the sectors in which they have a competitive advantage. It then discusses how these strengths can be capitalised on to foster youth employability:

Countries with a Focus on Innovation and *Technology*

Germany, Denmark and the Netherlands are distinguished by their advanced technology industries and their focus on innovation. These countries have established dynamic start-up ecosystems, research and development (R&D) centres and a favourable business environment that attracts investments in high value-added sectors. The integration of technologies such as artificial intelligence (AI), industrial automation and the digitisation of production processes has created a growing demand for professionals with skills in programming, data analysis and technology project management (European Commission, 2023).

These characteristics position these countries as leaders in creating high-skilled jobs for young people, particularly in the field of technology. The renewable energy sector, for example, has become a key pillar of the German economy, with an emphasis on wind and solar energy, which not only contributes to energy sustainability, but also generates thousands of jobs for young people trained in engineering and environmental sciences.

Denmark, for its part, is a global benchmark in offshore wind energy, which has created a strong labour ecosystem that demands technicians, engineers and sustainability experts.

The presence of innovation centres and technology parks in the Netherlands has also been key to keeping young people in the labour market. Universities work closely with the private sector to develop training programmes tailored to the needs of the market, facilitating the transition of young people from the academic to the professional sphere. This integrated approach has led to faster and more effective labour market integration, reducing youth unemployment and offering competitive wages compared to other sectors.

Countries with Tourism and *Sustainability* Potential

Italy, Greece, Portugal and Cyprus, as major tourist destinations, have great potential to capitalise on the development of sustainable tourism. The growing demand for ecotourism and authentic cultural experiences presents a significant opportunity for these countries, as it allows for the creation of quality jobs in the tourism sector. The post-pandemic recovery of tourism has reinforced the importance of adapting tourism supply towards more sustainable practices, which may include the promotion of green accommodation, low environmental impact activities and the protection of cultural heritage (International Energy Agency [IEA], 2023).

Italy, for example, has a vast historical and cultural heritage, and the global trend towards more conscious and environmentally friendly tourism could boost job creation in rural areas, which have historically suffered from depopulation. This represents an opportunity to develop tourism in less exploited areas, generating local employment and encouraging young people to stay in these regions. Investment in sustainable tourism management training programmes is essential to ensure that young people are prepared to lead this transformation.

In Greece and Cyprus, where tourism is a key economic pillar, diversification towards tourism that values the natural environment and local culture can improve employment stability, reducing the seasonality that has traditionally characterised the sector. This could include the promotion of activities such as agrotourism and wellness tourism, which have the potential to generate stable income throughout the year. Similarly, in Portugal, policies to promote sustainable tourism have started to bear fruit, with an increase in demand for rural tourism and gastronomic experiences that can be a growth driver for youth employment in rural and coastal regions.

Digital Transition Countries

Romania, Bulgaria and Poland are in a process of modernisation and digitisation that, while still facing significant challenges, presents promising opportunities for young people. These countries are investing in upgrading their digital infrastructure and in training their populations in technological skills, with the aim of integrating more fully into the European digital economy (OECD, 2023). This includes developing skills in areas such as cybersecurity, software programming and network administration, which are increasingly in demand by local and international companies.

In Romania and Bulgaria, the growth of the outsourcing services industry and technology service centres has been an important source of jobs for young people. These industries have taken advantage of competitive labour costs and the growth of digital connectivity to attract investment from multinational companies looking to outsource IT services and technical support. This has enabled young people to access job opportunities that, while in some cases low-skilled, can be a first step towards more specialised jobs through continuous training.

Poland, for its part, has made progress in the digitalisation of its manufacturing industry, especially in sectors such as automotive and machinery, which has generated a demand for engineers and technicians specialised in automation and robotics. Collaboration between the private sector and Polish educational institutions has facilitated the development of training programmes tailored to market needs, reducing the digital skills gap. This digital transition has enabled Poland to position itself as a major player in the technology industry in Central and Eastern Europe.

Comparative Perspective and Adaptability of *Young* People

The ability of young people to adapt to the opportunities of each market varies according to the quality of education and the supply of lifelong learning programmes available in each country. In countries with a strong focus on innovation and technology, such as Germany and Denmark, the availability of educational programmes that are closely aligned with market needs has been a key factor in the successful integration of young people into high-skilled jobs. In contrast, in countries such as Romania and Bulgaria, the digital transition still requires further investment in technical education and in improving access to vocational training to bridge the digital divide and take full advantage of market opportunities.

For countries dependent on tourism, adapting towards a more sustainable model is crucial to ensure that the opportunities generated by this sector are stable and not limited to seasonal jobs. Creating a tourism offer that aligns with the demands of a more sustainability-conscious international public is an opportunity to transform the nature of youth work in the sector, ensuring greater stability and better working conditions.

c. Comparative Risk Assessment

The comparative risk analysis reveals the threats and vulnerabilities that affect the stability and growth of youth labour markets in each country of the network. These risks can limit each country's ability to retain and attract young talent, affecting its long-term economic development:

1. **Risk of Economic Stagnation**: Countries such as Greece and Spain face the risk of slow economic growth, which limits the creation of new jobs and increases competition for existing jobs. This situation particularly affects young people, who are often the last to enter the labour market and the first to be affected by economic instability (Eurostat, 2023).
2. **Dependence on Vulnerable Sectors**: The high dependence on tourism in countries such as Italy, Greece and Cyprus represents a considerable risk, especially in the face of global crises such as pandemics or natural disasters. The seasonal nature of this sector also means that many jobs are temporary, contributing to job insecurity for young people (European Commission, 2023).
3. **Digital Divide and Global Competition**: In countries such as Romania and Bulgaria, the digital divide and the lack of advanced skills among young people limit the ability of these countries to fully integrate into the global technology market. Competition with more advanced economies may exacerbate these inequalities if effective policies for technological training and upgrading are not implemented (World Bank, 2023).
4. **Migration and Talent Drain**: The emigration of young people in search of better job opportunities in other EU countries is a significant risk for several of the countries analysed. This phenomenon is particularly noticeable in Bulgaria, Romania and Greece, where the loss of young talent limits the ability of these countries to develop key sectors and achieve sustained economic growth (ILO, 2023).

6. Regional and Global Perspectives

The labour market in the countries that are part of the *International* network is influenced by regional and global trends that determine both the challenges and employment opportunities for young people. These countries, while diverse in their national contexts, face a global environment characterised by digitalisation, climate change, and the need to develop more resilient and sustainable economies. Regional and global perspectives provide a framework for understanding how these markets are integrated and what the future holds for youth employability.

a. Regional Trends

Regional Perspectives

The labour market in the countries that are part of the *International* network is influenced by regional and global trends that determine both the challenges and employment opportunities for young people. These countries, while diverse in their national contexts, face a global environment characterised by digitalisation, climate change and the need to develop more resilient and sustainable economies. In the last two years, the economic situation of these countries has been affected by a series of external events, such as conflicts, which have had a considerable impact on the economic dynamics of the region. Regional and global perspectives provide a framework for understanding how these markets are integrated and what the future holds for youth employability.

Regional Trends

Regional trends within the European Union highlight the importance of economic and social cohesion between Member States to ensure equitable growth. One of the main trends is the digitalisation of economies, which has led to an increase in the demand for technological and digital skills in all countries of the *International* network. This trend is reflected in the growing development of the digital economy in countries such as Germany, Denmark and the Netherlands, where investment in technology and infrastructure upgrading has been most sustained (OECD, 2023). These countries have benefited from better adaptation to technological change, which has facilitated the integration of young people into emerging high-tech sectors.

However, the conflict between Russia and Ukraine, which began in 2022, has had a strong economic impact on the region. This conflict has affected both trade and energy security in the European Union, leading to a reconfiguration of economic priorities in several countries. Europe's dependence on Russian energy has created an energy crisis that has increased production costs and affected key industries, especially in Germany and Central Europe. This has had direct implications for the youth labour market, as companies have had to reduce their capacity to invest in hiring new talent and in training programmes, which has temporarily reduced employment opportunities for young people (World Bank, 2023).

In southern Europe, the regional trend has been characterised by an effort to diversify economies and reduce dependence on seasonal tourism. Countries such as Greece, Italy and Spain are pursuing policies to promote sectors such as renewable energy and the green economy, seeking to harness the potential of their natural resources to attract investment and create more sustainable jobs (European Commission, 2023). However, economic recovery in these regions has been slower, partly due to the impact of the war in Ukraine, which has affected supply chains and generated high inflation across the region. This situation has limited the ability to create stable jobs and exacerbated temporariness in youth employment, with many companies opting for temporary contracts as a precautionary measure in the face of economic uncertainty.

Regional cohesion has also manifested itself in the promotion of youth employment policies through initiatives such as the *Youth Guarantee* and the European Social Fund, which seek to support countries with the greatest youth labour integration challenges. These initiatives have been particularly relevant in Central and Eastern Europe, where countries such as Romania and Bulgaria have taken advantage of these resources to improve vocational training and encourage labour mobility (Eurostat, 2023). However, the conflict in Ukraine has added pressure on these countries, which have had to adapt to the arrival of refugees, some of whom are young people seeking to integrate into the labour market. This has created additional challenges for the integration of local youth into employment, due to competition for limited resources and the need to adjust employment policies to a new reality.

Despite these efforts, economic disparities between Europe's northern and southern regions remain a challenge for social and economic cohesion. The uneven recovery after the COVID-19 pandemic, now accentuated by geopolitical instability, has intensified differences in each country's ability to generate quality jobs for young people. This situation highlights the need for closer cooperation at the European level to mitigate the effects of these global events and ensure more equitable labour integration across the region.

b. Global Market Integration

The integration of network countries into the global market is a key variable that determines their opportunities for growth and development. The European Union, as a bloc, has played an important role in international trade and attracting foreign investment, facilitating access to global markets for its member states (World Bank, 2023). This has particularly benefited countries with export economies such as Germany, where the automotive and machinery industries have a strong global presence.

Globalisation and trade openness have also generated opportunities in high value-added sectors, such as technology and research. Countries such as Ireland and the Netherlands have capitalised on their attractiveness as innovation hubs, attracting global technology companies seeking to benefit from the stability and favourable environment of the European Union (OECD, 2023). This has created a more dynamic working environment for young people in these countries, who are finding opportunities in multinational companies and technology start-ups.

In recent years, the advance of artificial intelligence (AI) has been a transformative factor in the integration of European markets into the global economy. AI is revolutionising sectors such as manufacturing, financial services and logistics, automating repetitive tasks and improving the efficiency of production processes. This has enabled countries such as Germany and Denmark to remain competitive in the global market, especially in technology and automotive industries, where AI is applied in the design and optimisation of production processes (OECD, 2023).

However, the expansion of artificial intelligence also poses significant challenges for the youth labour market. While automation and AI create new job opportunities in specialised areas, such as software development, cybersecurity and data analytics, they also generate a growing demand for technical skills that many young people do not yet possess. This has led to a mismatch between available skills and market demands, which may limit the ability of some countries to integrate young people into high-skilled jobs (International Labour Organization [ILO], 2023).

On the other hand, AI is contributing to the transformation of the global service industry. The financial sector, for example, has integrated AI systems to improve customer experience through chatbots and to analyse large volumes of data in real time, which has led to a growing demand for professionals with skills in artificial intelligence and data analytics. Countries such as Ireland, with a strong presence of technology companies and data centres, have positioned themselves as innovation hubs in this field, attracting global companies looking to integrate AI into their processes and products (European Commission, 2023).

However, integration into the global market has also posed challenges for countries such as Greece and Romania, which have faced significant competition from emerging economies with lower production costs. This has led to a delocalisation of traditional industries, which has affected employment stability and increased the need to reconvert productive sectors to adapt to the new global reality (ILO, 2023). In this context, AI and automation have also begun to replace low-skilled jobs in sectors such as agriculture and manufacturing, posing the challenge of finding new job opportunities for young people who are displaced by these technologies.

In addition, globalisation has accentuated the migration of skilled young people to countries with better job opportunities, leading to a loss of talent in some southern and eastern European economies. The growing demand for AI and advanced technology experts in markets such as Germany, the Netherlands and Denmark has led to a ‘brain drain’ from countries such as Bulgaria and Romania, where skilled young people seek better opportunities and salaries in more advanced work environments. This migration, while positive for the receiving countries, poses a considerable challenge for the sending countries, which see their capacity to develop emerging industries in their own territories reduced (OECD, 2023).

The advance of AI in the context of global integration underlines the need for countries to adapt their education and training policies to prepare young people for the demands of a constantly evolving labour market. Lack of adequate adaptation can widen the gap between those countries that are leading in innovation and those that are still in the process of modernisation. For countries in the *International* network, it is crucial to balance the adoption of emerging technologies with initiatives that strengthen the vocational training of young people, so that they can fully benefit from digitisation and the opportunities offered by global integration (European Commission, 2023).

c. Future Perspectives

The future outlook for youth labour markets in the *International* network is marked by the need to adapt to technological changes, the transition to a green economy and the post-pandemic recovery. Digitalisation will continue to be a driver of growth, and the demand for digital skills is expected to continue to increase. In this context, education and vocational training have become key pillars to prepare young people for the challenges of an increasingly demanding labour market. Countries that invest in the education and lifelong learning of their young people will have a competitive advantage in adapting to the new labour market reality (European Commission, 2023).

Education reforms aimed at aligning the skills of young people with the needs of the market are being promoted in several countries across the network. These reforms include modernising curricula, with a stronger focus on technology skills, such as programming, artificial intelligence (AI), data analytics and cybersecurity. In addition, collaboration between universities and the private sector is being encouraged to develop training programmes that integrate practical experience through internships and real projects. Initiatives such as the European Union's *Digital Education Action Plan* aim to equip students with the skills needed to thrive in a digital environment and improve the connection between education and the labour market (European Commission, 2023).

This adaptation of education is particularly important in countries such as Germany and Denmark, which have pioneered the integration of technical and dual training, combining theoretical education with practical training in companies. This model has allowed for a smoother transition of young people into jobs in emerging high-tech and sustainability sectors. However, in southern European countries such as Spain, Italy and Greece, these reforms still face significant challenges. Despite efforts to improve vocational training, the disconnect between educational provision and labour market demands remains a barrier to the full integration of young people into the labour market (OECD, 2023).

The transition to sustainability also offers positive prospects for the creation of new jobs, especially in sectors such as renewable energy, sustainable construction and electric mobility. The demand for new skills related to the green economy has driven the need for educational programmes that include training in clean energy, energy efficiency and environmental management. Countries with ambitious environmental policies, such as Denmark and Germany, could lead this transition and attract significant investments that generate quality jobs for young people (International Energy Agency [IEA], 2023). However, for southern European countries, it will be crucial to ensure that green transition policies include mechanisms to support young people, so that employment opportunities in these sectors are accessible to all.

Artificial intelligence (AI) and automation are also influencing the type of skills in demand in the labour market. These technologies are expected to continue to transform various sectors, from manufacturing to financial services and logistics, creating both challenges and opportunities for young people. Education adapted to these realities will be key to ensuring that youth are not excluded from the high value-added jobs that will emerge from these technological advances (OECD, 2023). In response to this need, some countries are introducing subjects related to AI and data science in the early stages of the education system, seeking to prepare students from the outset for an increasingly automated work environment.

On the other hand, global economic and political uncertainty, including the war in Ukraine and trade tensions, pose a risk to the stability of European economies and job creation. The war has affected not only supply chains and energy prices, but has also created an environment of instability that affects investment in new projects. The need to strengthen the EU's strategic autonomy in critical sectors could offer new employment opportunities, especially in areas such as local energy production and defence technology, but will also require effective policies to ensure the resilience of local labour markets (World Bank, 2023).

In this context, education reforms should not only focus on technical skills, but also on developing young people's adaptability and soft skills, such as resilience and critical thinking, which will be essential to cope with a constantly changing labour market. Implementing these reforms, together with inclusive employment policies, will be crucial for young people to benefit from a more dynamic and resilient environment, with better opportunities for sustainable integration into the labour market.

In sum, the future prospects of the *International* network countries depend on their ability to seize the opportunities offered by digitalisation and the green transition, as well as their ability to address the challenges of globalisation and regional disparities. With the right employment and training policies in place, integrating labour market demands with emerging skills training, young people could benefit from a more inclusive and prosperous environment, strengthening their participation in the labour markets of the future.

7. Conclusions and Recommendations

The analysis of the International Network countries provides a detailed understanding of the dynamics affecting the youth labour market in Europe, highlighting both common challenges and opportunities specific to each national context. Throughout the study, the reality of countries with different levels of economic development and different capacities to integrate young people into the labour market has been addressed, considering economic, demographic, technological and sectoral factors. The main findings of the analysis are presented below, together with strategic recommendations and an action plan to improve the integration of young people into the labour market.

Main Findings of the Analysis

Persistent Youth Unemployment: Despite post-pandemic recovery efforts and youth support policies, the youth unemployment rate remains high in several countries, especially those in Southern Europe, such as Greece, Spain and Italy. This underlines the need for specific measures to connect educational attainment with labour market demands and to improve the quality of jobs available to young people (Eurostat, 2023).

Opportunities in Digitalisation and the Green Economy: The digitalisation of European economies and the transition to a more sustainable economy present significant opportunities for the creation of quality jobs. Countries such as Germany, Denmark and the Netherlands are leading these processes, while others, such as Romania and Bulgaria, require a major push to modernise their technological infrastructures to take advantage of these opportunities (European Commission, 2023).

Persistent Regional Inequalities: Economic and developmental differences between northern and southern European regions continue to affect employment opportunities for young people. Disparities in access to education and training, as well as the concentration of opportunities in urban areas, remain major challenges to ensuring equitable labour market integration of youth (OECD, 2023).

Importance of internships: Internships play a crucial role in the transition of young people into formal employment, but their effectiveness varies across countries. While systems such as dual training in Germany ensure successful integration of young people, in other contexts, such as Greece and Spain, the lack of regulation and remuneration of internships limits their positive impact (ILO, 2023).

Suggested Market Entry Strategies

Strengthen Digital and Green Skills Training: Given the growth of the technology and green economy sectors, it is essential to develop specific training programmes that prepare young people for the demands of these sectors. Partnerships between educational institutions, businesses and local governments can facilitate the creation of training programmes that combine theory and practice, ensuring that young people acquire relevant skills for the labour market (European Commission, 2023).

Promote the Regulation of Internships: Establishing clear regulatory frameworks for internships is essential to ensure that internships translate into real employment opportunities. This includes ensuring remuneration for internships, establishing quality criteria for training experiences and fostering collaboration between companies and educational institutions to facilitate the transition to formal employment.

Develop Incentives for Stable Job Creation: To combat the high temporariness affecting young people, especially in sectors such as tourism and health, it is recommended to implement incentives for companies that offer permanent contracts and better working conditions. This could include tax breaks, subsidies for hiring young people and mentoring programmes that support career development.

Promoting Labour Mobility and Knowledge Exchange: Mobility within the *International* network and within the European Union can be a powerful tool to facilitate the exchange of knowledge and experience between young people from different countries. Strengthening mobility programmes such as *Erasmus+* and professional networking can help young people to access opportunities in more dynamic labour markets.

Proposed Action Plan

Promoting Non-Formal Education and the Integration of Young People into the Labour Market: It is proposed to promote an approach that complements formal studies with non-formal education programmes, focusing on practical experiences that facilitate the integration of young people into the labour market. This approach seeks to create a bridge between theory and practice, providing young people with opportunities to acquire key skills directly in the work environment, which will enable them to better adapt to the demands of today's market.

To achieve this, collaboration between educational institutions, businesses and government agencies is proposed to develop training programmes that integrate high quality internships, real projects and learning in specific work contexts. These programmes would include workshops, short courses and applied projects in areas such as technology, renewable energy, resource management and entrepreneurship, tailored to the specific needs of each region of the *International* network. Non-formal education would enable young people to improve their skills on a continuous basis, facilitating adaptation to technological changes such as artificial intelligence and digitalisation.

Fostering Business-Education Partnerships for Practical Experiences: One of the key elements of this plan is the creation of strategic alliances between educational institutions and the private sector, so that companies can offer young people learning opportunities in a real context. It is proposed that these partnerships take the form of agreements for the development of work experience programmes, internships and collaborative projects. These practical experiences would be designed to allow young people to complement their academic training with the acquisition of practical skills that are essential in the workplace, such as problem solving, project management and teamwork.

The aim is to give each young person the opportunity to spend a placement in a company, where they can directly apply the knowledge acquired in their formal training. This will not only improve their employability, but will also allow companies to identify and train future employees who are already suited to their operational needs. Through tax incentives and support programmes, companies would be motivated to offer these opportunities, ensuring that they are of quality and with a focus on inclusion and equity.

To achieve this, a series of documents and tools will be developed to support third sector organisations in promoting internships for young people in companies in countries that are part of the network.

Facilitating Integration in Enterprises through Professional Mentoring Networks: To complement the practical training, it is proposed to strengthen mentoring networks to facilitate the integration of young people into the business environment. These networks would be composed of professionals with experience in key sectors such as technology, sustainability and business management, who would be responsible for guiding young people during their internships and first years of work experience.

These mentoring networks would allow young people to develop critical soft skills, such as effective communication and adapting to change, while receiving career guidance. In addition, career mentoring would help bridge the gap between education and the labour market by ensuring that young people receive continuous accompaniment to better navigate their transition into formal employment. This strategy is particularly important in countries where internships are not as structured, as it facilitates more personalised and context-specific guidance.

Development of Non-Formal Education Platforms and Virtual Internships: In the context of digitalisation, it is proposed to develop digital platforms that allow young people to access non-formal training opportunities and virtual internships. These platforms would facilitate access to online courses, workshops and interactive modules on topics relevant to today's labour market, such as programming, data analysis and sustainable project management. They would also allow companies to offer remote work experiences for young people, which is particularly relevant in rural areas where access to large urban centres is limited.

These digital platforms could also serve as meeting places for companies and young people, functioning as job boards specialised in internships and first jobs. This would not only improve the visibility of available opportunities, but would also allow young people from all regions of the *International network* to connect with companies in other countries, broadening their possibilities for job placement and professional development.

Continuous Evaluation and Adjustment of Programmes: To ensure the effectiveness of this approach, it is essential to establish a continuous evaluation mechanism to adjust non-formal education and internship programmes according to the needs of the market. This would include satisfaction surveys of the young participants, as well as reports from enterprises on the adequacy of the competences acquired by the young people to the demands of the labour market.

Analysing this data would enable ongoing improvements to be made to the content and approaches of non-formal education, ensuring that training programmes remain relevant and useful for the employability of young people. It would also help to identify new areas of opportunity and adapt programmes to emerging trends, such as skills development in artificial intelligence and green project management.

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