

# **INTERREG IVC**

## **3rd Call for Proposals**

European Territorial Cooperation Objective of the Structural Fund policies for the period 2007-2013



**PROPOSAL DEVELOPED BY QeC-ERAN**



### **TACKLING YOUNG PEOPLE'S WELFARE IN EUROPE**

The overall goal of this proposal is to support the establishment of a transnational cooperation programme which would facilitate the capitalisation of policies, good practices and experiences between different European regions. This exchange will focus on the issue of the welfare of young Europeans, looking into ways of enhancing their inclusion into the labour market and wider social participation .

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## WHAT IS QeC-ERAN?

QeC-ERAN is a network of EU cities/towns/district councils as well as strategic Ngo's, all of whom are connected by being involved in national, regional and EU policies and programmes concerned with **area based regeneration**. Area – based regeneration programmes are one of the success stories in term of mainstreaming across the EU. The areas designated for area- based regeneration programmes have certain common characteristics:

- Low economic activity rates
- Linked in part to high levels of unemployment
- Poor levels of educational attainment, or low attainment for certain groups
- Rising economic development potential( particularly, linked to proximity to buoyant economic zones)
- High levels of social exclusion
- High interest in micro-entrepreneurship
- Key agencies failing to reach needs of marginal groups
- High presence of immigrants and “economic migrants”

Qec-ERAN is a **unique** network which involves local/regional politicians, technicians and residents in the process of area based regeneration

QeC-ERAN was established in 1989 and is one of the longest established networks in relation to the theme of urban regeneration and remains committed to being at the leading edge in relation to the changing realities experienced by regeneration areas.

QeC-ERAN has developed an excellent track record in relation to its work in the Urbact I programme. We developed and co-managed with the city of Venice the largest Network in Urbact 1- Urban Diversity, Integration and Inclusion Exchange, which had 26 participating cities. We undertook the same with the city of Torino in relation to the URBS-HEALTH network.

Further details about the network can be found on our website: [www.qec-eran.org](http://www.qec-eran.org)

## OVERVIEW OF THE INTERREG IVC PROGRAMME

The overall objective of the INTERREG IVC Programme is to focus on **interregional cooperation**, to improve the effectiveness of the regional development policies in the areas of innovation, knowledge economy, the environment and risk prevention as well as to contribute to the economic modernisation and increased competitiveness of Europe.

Specific operational objectives of the Programme:

1. To enable actors at regional and local level from different countries across the EU to exchange their experiences and knowledge.
2. To match regions less experienced in a specific policy field with regions with more experience in that field, with the aim of jointly improving the capacities and knowledge of regional and local stakeholders.
3. To ensure that good practices identified within interregional cooperation projects are made available to other regional and local actors and are transferred into regional policies in particular into EU Structural Funds mainstream programmes.

### Programmes Priorities:

The Programme is organised around two thematic priorities related to the Lisbon and Gothenburg agendas.

#### Priority 1: Innovation and the knowledge economy

- ✓ Innovation, research and technological development;
- ✓ Entrepreneurship and SMEs;
- ✓ The information society;
- ✓ Employment, human capital and education.

#### Priority 2: The environment and risk prevention

- ✓ Natural and technological risk (including climate change);
- ✓ Water management;
- ✓ Waste management;
- ✓ Biodiversity and preservation of natural heritage (including air quality);
- ✓ Energy and sustainable transport;
- ✓ Cultural heritage and landscape.

The Programme is co-financed by the European Regional Development Fund (ERDF). The total available **ERDF budget is of 321 million euro** for the 2007-2013 period. The

programme co-finances the participation of public authorities and bodies governed by public law from the territory of the European Union plus Norway and Switzerland. This proposal seeks to establish a project under the programme to boost employment and enterprises development under Priority 1 of the Programme: Innovation and Knowledge economy.

## **What is a Capitalisation Project?**

### **Capitalisation Project**

Capitalisation projects are specifically aimed at preparing the transfer of good practices into regional operational programmes, and are required to have an impact in the current funding period 2007-2013. Given the timescale of a Capitalisation project (2 years), it's clear that this type of project needs to be in operation from 2010 at the latest, in order to have the opportunity to impact before the end of the period.

In the context of the INTERREG IVC Programme, **Capitalisation** is defined "as a process of optimising the results achieved in a specific domain of regional development policy. Capitalisation activities consist of the collection, analysis, dissemination and transfer of good practices in the policy area in question. In particular, one of the expected results of these activities is the transfer of the good practices identified into the mainstream Structural Funds programmes (i.e. 'Convergence', 'Competitiveness and Employment' and other 'Territorial Cooperation' programmes) in regions wishing to improve their policies.

Projects supported under this element will have to demonstrate how they build on the stock of experiences gained under past or existing "regional "development programmes including Structural Fund programmes.

As such, this proposal is not one that seeks to focus on pure 'implementation' or 'experimentation'. As the Programme Manual states: "The core element in interregional cooperation is the exchange of experiences and, compared to cross-border and trans-national programmes, it supports 'soft' cooperation where investment is not recommended".

The partnership will be seeking to involve at least 3 Member States. The partnership requires a certain level of intensity in cooperation as well as existing relevant good practices within the partners in the theme, to demonstrate that partners have good results and transferable tools and approaches, as well as good management skills and knowledge of the theme.

Duration: the project cannot exceed **24 months**.

ERDF contribution: for Capitalisation projects the ERDF contribution can **be from a minimum of EUR 1million to a maximum of EUR 2 million**. Under the INTERREG IVC programme, the eligible project activities are co-financed from the ERDF at either 75% (Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxemburg, Netherlands, Spain, Sweden, UK) or 85% (Bulgaria, Czech Republic, Cyprus, Estonia, Greece, Hungary, Lithuania, Latvia, Malta, Poland, Portugal, Romania, Slovakia, Slovenia). The source of the partners' own co-financing amount can be manifold. It can come from the partners' own budget, or from other public sources at central, regional or local levels. It is not possible to receive an advance payment from the ERDF under the INTERREG IVC programme. This means that each project has to pre-finance its activities until it submits a statement of expenditure and claims funds from the

programme for the activities carried out and paid in the past period. The programme then reimburses 75% or 85% of the total eligible expenditure declared by each partner – ensuring that 15% or 25% is always provided from other public sources.

## PROPOSAL BACKGROUND

A number of factors provide the context to this proposal:

- The current financial crisis has and is having a significant impact on unemployment levels across the EU. Historical experience suggests that youth, immigrants, low-skilled and older workers are more likely to bear the brunt of rising unemployment. The ILO Global economic trends report 2009 predicts that the youth unemployment rate is projected to increase from 12.2 per cent in 2008 to between 13.0 and 15.1 per cent in 2009.
- At 9.3 percent, unemployment in the European Union is at its highest rate for more than 10 years. . For those under 25, however, the rate is more than twice that. Throughout this decade, Europe has had higher rates of youth unemployment -- about 16 or 17 percent -- than the OECD average.
- Until recently, the rate was mitigated by a boom in short-term temporary contract work, which does not always require employers to offer expensive benefits. These jobs went, disproportionately, to young people. It is argued that such jobs accounted for most of Europe's job growth in the past decade. But these jobs created a generation of young people tenuously employed, with no benefits, severance pay, or guarantees. In France, the group social scientists call "Génération Précaire" earned less, in real terms, than their parents did in the years after World War II. In Britain, the term is the "IPOD" generation: insecure, pressured, overtaxed, and debt-ridden. By 2007, approximately 6 million young people worked temporary jobs. These workers have been the first to go in the recession; the contracts expire, and the work is gone.
- And it isn't just teenagers or dropouts looking for low-skill work who are having trouble finding jobs. People with college and graduate degrees are also struggling, as employers stop hiring new workers altogether.
- Unemployment among job seekers under 25 in France has risen more than 40 percent in the past year, while total unemployment rose by about 26 percent. A third of Britain's unemployed are under 25. Youth unemployment is nudging 40 percent in Spain. The Baltic states, whose bubble burst so dramatically last fall, have seen the greatest

increases. In June 2008, between 8.9 and 11.9 percent of young people in Latvia, Lithuania, and Estonia were out of work. As of the last round of reported data, from March and April, those rates stand between 25 and 35.1 percent -- about a threefold increase in less than a year.

- Across Europe, a "baby boomlet" or "echo boom" of baby-boomer children means that the ranks of 18-to-25-year-olds have swelled in recent years, heightening the number of young job-seekers. This boom is expected to reverse itself quickly, with a precipitous drop in the young population in most countries by 2015, as demonstrated in the following chart:

|                | 2003     | 2009     | 2015    | Change from 2009-2015 |
|----------------|----------|----------|---------|-----------------------|
| Denmark        | 301021   | 311973   | 370901  | 18.8%                 |
| U.K.           | 3899506  | 4086777  | 4105996 | 0.5%                  |
| Italy          | 3235007  | 2872714  | 2845818 | -0.9%                 |
| France         | 4086569  | 4041283  | 3947782 | -2.3%                 |
| Hungary        | 717891   | 628824   | 603174  | -4%                   |
| Germany        | 4716153  | 4877736  | 4464095 | -8.4%                 |
| Czech Republic | 755750   | 656756   | 593014  | -9.7%                 |
| Lithuania      | 260638   | 281544   | 236579  | -16%                  |
| Poland         | 3298602  | 2944987  | 2429188 | -17.5%                |
| Belarus        | 772334   | 810144   | 601821  | -25.7%                |
| Ukraine        | 3619849  | 3708090  | 2732912 | -26.3%                |
| Latvia         | 162976   | 186197   | 131572  | -29.3%                |
| Estonia        | 97426    | 103121   | 72120   | -30%                  |
| Russia         | 11284912 | 12216298 | 7825290 | -35.9%                |

- In the meantime, however, an entire generation could feel permanent effects: The effects aren't simply financial. One prominent British think-tanker recently warned, "If this situation persists, the risk may be of a new generation lacking the experience, qualifications, and self-belief to provide for themselves and their families." Moreover, young people are at high risk of social exclusion if they become trapped in a downward spiral of worsening health and unemployment. Health problems make it more difficult to find jobs, and, in turn, unemployment makes it more difficult to stay healthy.
- A new report by Policy Studies Institute, *Youth Unemployment, Labour Market Programmes and Health*, provides a comprehensive review of recent British and international research and looks at the relationship between unemployment and health problems among young people.
- Key findings are that:
  - Unemployed young people experience more health problems than those who are employed, including lower levels of general health, more anxiety and depression, higher rates of smoking and higher suicide rates.
  - Young people with health problems have less success in finding jobs compared with those in good health. They are also more likely to lose or leave their jobs.
  - Unemployment can exacerbate existing health problems, or lead to new ones.

- Financial stress and material deprivation are partly responsible for poor health among the unemployed.
  - Jobless young people are also often deprived of opportunities to take control of their lives, make structured and varied use of their time, and to see themselves as people who are valued.
  - Young people who lack support from family members, friends and others appear to be at particular risk of health problems during unemployment.
  - Young people with a history of problems and deprivation are particularly vulnerable to experiences of unemployment and poor health.
- The relationship between unemployment and health is highly complex, with poor health being both a cause and a result of unemployment. Labour market and health interventions have the potential to make positive inputs that reverse the downward spiral of poor health and unemployment, although there is currently relatively little research available concerning the specific effects of labour market programmes on participants' health.
- Furthermore the link between unemployment and crime is also very strong. With every month a teenager is unemployed, for instance, his or her likelihood of being convicted of a crime.
- The challenges that young people are facing today are quite complex and diverse. On one hand they have more opportunities to learn and develop their potential; however, there aren't enough pathways to do so. Empowering young people and creating favourable conditions for them to develop their skills, to work and participate actively in society is essential for the economic and social development of the EU, particularly in the context of globalisation, knowledge-based economies and ageing societies.
- A strong economy and low unemployment continue to mask the true cost of youth exclusion. More than 17% of young people across EU 25 are not in work, education or training, representing a significant loss to the individual and the economy. Moreover, the rate of unemployment among youth is typically two to three times the adult rate. This is mainly a consequence of difficulties surrounding the initial school-to-work transition, the relative insecurity and inexperience of new workers, and the frequent job changes undertaken in an attempt to find secure and satisfying employment. Youth is a temporary phase in the life cycle, and labour market prospects are ultimately governed by the unemployment rate for all age groups.

- Globalization and technological advances have had a profound impact on labour markets throughout the world, and young people, as new workers, have faced a number of challenges associated with these developments. Trends in the youth labour market tend to reflect changes in the adult labour market, although the effects of any shifts that may occur are often magnified in the employment situation of the young. The decline in skilled jobs in the manufacturing sector, together with the increased demand for professional specialists and unskilled labour in the growing service industries, has led to a “hollowing out” of the youth labour market. New opportunities tend to cluster at the top end, in the professional and advanced technical sector, and at the bottom end, in the low-tier service industries. An increasing number of young people are also finding work in the informal economy, where jobs are usually characterized by insecurity and poor wages and working conditions.
- Most young people, especially young women, are employed in the service sector. In the EU, for example, 64 per cent of 15- to 29- year-olds were working in service occupations in 2003. While employment in this sector ranges from routine unskilled services in retail sales and call centres to specialized professional services, it has been argued that most young people work in the lower tier services characterized by poor working conditions and a lack of job security. This is perhaps best exemplified by the fast-food industry, in which young workers often comprise the vast majority of the workforce and are paid at minimum wage rates. Young workers are less likely to object to sub-standard working conditions in the service industry for several reasons. First, many of them think of their jobs as temporary, and only remain in them while they are continuing their formal education. In such circumstances, dissatisfaction is more likely to lead to a job change than to attempts to improve conditions through industrial action. Second, as a more vulnerable group of workers, young people are less likely to band together to demand better wages and working conditions. Third, many young workers have temporary or other precarious employment arrangements, which gives them little or no leverage in pushing for improvement
- Part-time employment among young people is on the rise in many countries and can be regarded as an aspect of the casualization of the labour market. While young people frequently hold part-time jobs while they are pursuing a formal education, there are also cases in which part-time or temporary jobs are the only alternatives available, as there is an insufficient number of regular full-time jobs to go around. In Greece, for example, an estimated six in ten young people who work only a portion of the workweek are considered “reluctant” part-timers. This may be explained in part by the progressive removal of benefit safety nets, which may have forced young people to accept part-time jobs rather than holding out for full-time employment. In a survey of young workers in the EU, 22 per cent of male and 14 per cent of female part-timers said they were unable to find full-time jobs.

- The increased use of short-term contracts is another indicator of deteriorating conditions in the youth labour market, as young workers are more likely than older workers to receive and accept this type of offer. In the EU in 2001, 35 per cent of employees under the age of 25 had short-term contracts (the rate was 47 per cent among 15- to 19-year-old workers), compared with 14 per cent of all employees. The use of such contracts is particularly high in Spain, where nearly eight in ten youth under 25 years of age are employed on this basis.<sup>10</sup> Although short-term contracts can be linked to training and probationary status, a recent Eurostat survey of young workers indicates that for many, short-term status is a consequence of not being able to find any other job.
- However, youth unemployment does not simply impact on those young people without skills or low qualifications. At the top end of the labour market in many countries there has been an increase in the supply of professional and high-level technical jobs, but as a result of the growth in educational participation, especially at the tertiary level, competition for these jobs is intense. For example, in the transitional economies of Eastern Europe, it has been argued that with around half of all graduates either being unemployed or working in the informal sector, education has only a modest impact on success in the labour market. In most countries, many qualified young people are now forced to “trade down” and accept inferior forms of employment. Given the economic and subjective investments in education, this trade-down is not without its costs. Young people may have to service graduate debt while working in non-graduate occupations, and after a lengthy subjective investment resulting in the development of a professional identity, compromises can lead to resentment and dissatisfaction. The length of time young people take to look for desirable employment often depends on the financial circumstances of their families and their willingness to support their children during the period of their job search.
- The number of young workers who trade down reflects the degree to which the increase in the supply of qualified workers has outpaced the increase in the number of professional and technical jobs, leading to a high level of underemployment. In developing countries, underemployment among those who have completed their undergraduate studies has led to a rise in graduate school enrolment. In Europe the trend is more recent, but it is estimated that almost six in ten 16- to 26-year-olds regard themselves as underemployed, working in lower-level jobs than those in which they might make more appropriate use of their skills. In the transition economies of Eastern Europe, many new businesses have been started by young people as opportunities in the State sector have declined. In these countries, the incentive to become self-employed has been linked to a shortage of alternative ways of making a living, with a significant proportion being

characterized as “forced entrepreneurs”. However, the rate of business failure is high, and young entrepreneurs frequently work long hours for few rewards. In one country, for example, more than one-third of self-employed young people reported working more than 60 hours a week.

- Given the lengthening of youth participation in education, rates of youth unemployment may be relatively low simply because a diminishing number of young people are entering the labour market before their mid-twenties. Consequently, rates of youth unemployment in a country need to be contextualized in terms of patterns of educational participation. Levels of employment among young people can be controlled by educational policies that effectively reduce the pool of youth labour by acting as “holding devices”. However, the link between education and job creation is dependent on broader patterns of labour demand that are global as well as local. Evidence from a range of countries shows that education clearly enhances opportunities in the labour market, as those with the best qualifications enjoy superior job prospects. In a number of developing countries, however, many highly educated young people remain unemployed. This phenomenon derives from two key factors. One is that there is an inappropriate matching of university degrees with demand occupations. Degrees are often conferred in disciplines that are less expensive to teach, such as the social sciences. Instruction and training in areas such as engineering and the physical sciences, which require more sophisticated equipment and technology, are often too costly for many universities in developing countries to provide. As a result, there is an overabundance of students graduating with degrees in such disciplines as political science or education, but there are an insufficient number of jobs available in these areas. Conversely, engineering and high-tech jobs remain unfilled. The second factor is the overall lack of jobs in the formal economy. As most new job growth is in the informal sectors of the economy, there remain few opportunities for young graduates to find work that corresponds to their level of educational attainment. Many of these highly educated workers end up migrating to industrialized countries to improve their job prospects. The resulting brain drain holds serious consequences for the future development of their home countries.
- In all countries, some groups of young people are more susceptible to unemployment than others. Females tend to be far more vulnerable than males. Also Ethnic minorities are disproportionately affected.
- High levels of youth unemployment are always a source of concern because of the profound impact unemployment has on young people's lives. Research on the psychosocial consequences of unemployment is extensive. Studies of young people show that unemployment leads to a reduction in self-esteem, diminished levels of wellbeing, and frequently isolation from peers. At the same time, it is important to recognize that there are many subjective factors (such as attitudes and values) that

| <b>Social Integration</b>        | <b>Social Exclusion</b>   |
|----------------------------------|---------------------------|
| Employment/sporadic unemployment | Long-term unemployment    |
| High employment commitment       | Low employment commitment |
| Financial security               | Financial insecurity      |
| Optimism                         | Pessimism                 |
| Life satisfaction                | Life dissatisfaction      |
| High social support              | Low social support        |
| Active lifestyle                 | Passive lifestyle         |

- Moreover, the contribution that young people can make to the future of the European Union is quite significant: they can foster the Lisbon objectives of growth and jobs as they are the future work force, they will be the source of the so much needed research capabilities, innovation and entrepreneurship. It is however necessary that young people are provided a properly base of knowledge, skills and competences through high-quality education and training opportunities. These opportunities cannot be ensured unless some essential problems affecting young people are solved: early school leaving, social exclusion, risk of poverty, gender and ethnic minority inequalities.
- In order to shape Europe's future, we need to take into account demographic, economic and socio-cultural factors, which all affect the changing nature of young generations. As set out in the Commission Green Paper on confronting demographic change, declining birth rates and rising life expectancies have brought about dramatic changes in the size and age structure of Europe's population, in effect this will bring important implications in the construction of Europe, and specially for young people.

- Young people are especially at risk of poverty, and their transition into the labour market is very difficult. The insertion into the labour market needs to be facilitated through a life-cycle approach to work, ensuring inclusive labour markets for young people, especially those disadvantaged groups. It is also essential to adapt the education and training systems in response to new competence requirements, improving the investment in human capital as well.
- The participation of young people in public and social life is decreasing in most of European cities, and yet it remains a key issue in building healthy societies. The promotion of participation should focus on the local level, through more participative democracy systems, and through support for learning how to participate. The access to quality information is essential for this purpose.
- The Commission has identified the need to establish a transversal youth strategy, with the cooperation between policy makers and stakeholders at European, national, regional and local level, and with the special involvement of young citizens and youth organisations. Member States already committed themselves to pay special attention to young people through the European Youth Pact (March 2005). At the European level there are a number of programmes that support this strategy and tackle the issue of youth from several points of view (ESF, ERDF, Youth in Action Programme, Lifelong Learning, Europe for Citizens, Marie Curie, Competitiveness and Innovation Framework Programme & the European Science Education Initiative)

## PROJECT PROPOSAL

The main aim of the proposal is to establish a network between 9 cities/regions in at least 5 different member states participating in a transnational exchange programme which would facilitate transfer of policy, planning and practice AND provide capacity building for professional development in the field of youth.

Given the above contextual background, the network will address the following specific sub-themes:

### **a) Tackling youth unemployment**

Youth unemployment is a key concern for Europe. The aim here will be to focus on the problems facing young adults with poor or weak formal qualifications AND also the increasing problem of graduate unemployment. In the current economic and demographic context the problems of youth employment and the risks it entails need to be reconsidered. The need of better skills and education is one of the answers; as a consequence of educational shortcomings a quarter of all youngsters arrive at the threshold of the labour market without sufficient qualifications, thus making the transition process very complex, that usually ends up in a long term unemployment situation for many youngsters. There has also been a change in the labour

market demand: there are still many jobs not requiring high levels of formal qualification, however, more varied skills and competences are needed than in the past.

Education and labour market institutions should set up efforts in providing all young people with tailored guidance and counselling for choosing a suitable education pathway leading to labour market qualification, hence reducing the mismatch between education outcomes and labour market requirements.

### **b) Supporting Youth Enterprise**

For many excluded young people, self-employment is often the only option for survival. Youth entrepreneurship can be encouraged through a variety of means, including special programmes that facilitate access to credit. Owing to their lack of collateral and business experience, youth are considered a very high risk by lenders, making it difficult for them to gain access to credit. Programmes can therefore be developed to provide small business loans to young entrepreneurs. Many youth currently rely on savings or turn to family and friends for start-up funding. Those without such alternatives have little chance of starting their own businesses unless special credit programmes are set up for them.

### **c) Dealing with early school leaving: Strategies for prevention and re-integration**

Young people leaving school early face a multitude of problems eg. decreasing job availability, lack of work experience, increasing casualisation of the labour market, and conflicting pressures to complete their schooling and/or to take on volunteer, unpaid or part-time work. If they do not complete their compulsory period of education, their problems are compounded. Wider contextual issues affecting them include increasing economic and social instability, social expectations, a growing incidence of homelessness and poverty, and problems of self-identity, particularly for those alienated by their school experience.

The issue of early school leaving is a complex one. At an EU15 level the average rate is 15%. However, this average percentage masks big differences between Member States. The differences range from below 5% to over 35%. This picture becomes even more complex in the context of EU27.

Over the past twenty-five years young people have been at the sharp end of global economic change and their transitions from education to employment have undergone fundamental change. In contrast with the 1960s, when transitions between school and work were relatively straightforward, youth transitions throughout Europe have become much more complex and they last longer. Two of the key factors have been youth unemployment, linked with major changes in youth labour markets, and increased participation rates of young people in full time education for longer periods.

These changes have had an effect on all young people but for many the transitions to adult life remain relatively unproblematic. It is clear, however, that there are significant groups and minorities for whom such transitions have become more difficult and fragmented and who are more vulnerable to social exclusion in the form of early school leaving, unemployment and precarious employment. Youth unemployment rates may have declined from their 1990s peaks but they still reach double digit rates in over half of EU countries and are typically twice that of adult rates. In many countries most of these young people leave school with few qualifications.

Comparative international evidence, compiled by the European Commission and the OECD, indicates consistently that one of the key factors associated with successful youth transitions in most countries is completion of the equivalent of an upper secondary education (EC, 2006; OECD, 2000).

The increase in the non-employment rates of young people (in Table 1) reflect in large part a significant increase in the average length of education but they include also another significant group of young people who are *neither at school nor in the labour market* (see Table 1, column 3). Evidence suggests that this 'NEET' or 'Status 0' group face considerable difficulties in making transitions to and integrating both within the labour market and in adult life more generally.

Table: Youth non-employment rate in 1993 and 2003 and incidence of youths neither in employment and nor in education in 2002 (Percentage)

|                 | Youth (15-24) non-employment rate |          | Incidence of youths neither in employment and nor in education' |
|-----------------|-----------------------------------|----------|---|
|                 | 1993 (a)                          | 2003 (b) |   |
| Austria         | 41.9                              | 49.3     | 9.0   |
| Belgium         | 71.9                              | 72.9     | 12.3  |
| Czech Republic  | 53.1                              | 68.6     | 12.6  |
| Denmark         | 39.7                              | 40.6     | 4.9   |
| Finland         | 69.9                              | 61.5     | 17.1  |
| France          | 75.8                              | 70.2     | 8.9   |
| Germany         | 47.3                              | 57.6     | 10.3  |
| Greece          | 72.5                              | 73.7     | 14.5  |
| Hungary         | 68.5                              | 73.3     | 14.5  |
| Ireland         | 65.6                              | 54.2     | 7.9   |
| Italy           | 70.0                              | 74.0     | 17.9  |
| Luxembourg *    | 54.3                              | 67.7     | 5.0   |
| Netherlands     | 44.5                              | 34.6     | 6.3   |
| Poland          | 70.5                              | 80.4     | 15.2  |
| Portugal        | 56.9                              | 61.6     | 9.8   |
| Slovak Republic | 65.6                              | 72.4     | 25.1  |
| Spain           | 70.5                              | 63.2     | 11.5  |
| Sweden          | 57.5                              | 55.0     | 7.6   |
| United Kingdom  | 41.1                              | 40.2     | 11.9  |
| OECD average    | 54.3                              | 57.1     | 15.1  |

(a) Austria: 1995 and the Slovak Republic: 1994. (b) Luxembourg: 2002.

It should be noted that some of the increase in education durations is not entirely positive. A significant group of young people opt to continue in education because of poor prospects in the labour market. This is a characteristic in most countries but is a particular problem in Southern European countries where rates of graduate unemployment are also high.

Reducing early school leaving is also important in the context of demographic pressures that reinforce the importance of ensuring that all young people are equipped to participate fully in adult economic and social life. Between 2005 and 2050 the number of young people in Europe aged 15 to 24 will fall by a quarter, from 12.6 to 9.7%, while the group aged over 65 will increase from 16.4 to 29.9%).

**The EU commitment to reducing early school leaving to an average rate of no more than 10% by 2010.**

But this is only part of the story. Young people who leave school early are over represented in statistics for drug misuse and offending behaviour. Various research shows that there is a demonstrable correlation between early school leaving and offending behaviour, high levels of anti-social behaviour and substance misuse among early school leavers. Early school leavers often lack the basic literacy and numeracy skills needed to equip them for the 'real world' and a high number of young offenders have limited educational achievement.

The issues identified above, and other factors, were amongst the considerations that led the European Council to include education and training targets within the 'Lisbon Objectives' when they proposed that by 2010 "Europe should be the world leader in terms of the quality of its education and training systems" (see [http://ec.europa.eu/education/policies/2010/et\\_2010\\_en.html](http://ec.europa.eu/education/policies/2010/et_2010_en.html)).

**d) Urban Regeneration and equal opportunities for ethnic minority youth.**

Paradoxically, the very same cities that are constantly referred to as the driving forces of economic development, innovation and competitiveness in Europe also contain some of the greatest concentrations of unemployment and poverty. In some cases, the residents of inner city neighborhoods watch with despair as large numbers of highly qualified professional workers commute to the booming jobs in the knowledge and financial economy – just past their doorsteps. The tension inevitably increases when this kind of social exclusion is compounded by racial segregation and/or discrimination

The policy implications for building an urban future for ethnic minority communities in Europe are clear. Today, non-European peoples, from Africa, the Caribbean, and Asia are urban dwellers in nearly all the key cities and member states of the European Community. As cities jostle for a place in the competitive arenas of the new millennium major policy questions of social inclusion and integration will have to be answered.

How to ensure that changing land uses and economic activities assist rather than retard the contributions of ethnic communities to the urban economy, society and culture?

In key cities in all parts of Europe the evidence of social exclusion mounts. Poverty trap ghettos of Africans, Afro-Caribbeans and Asians take shape in London's inner city boroughs. In Paris and Amsterdam immigrant peoples from the Mediterranean, Africa and the Caribbean are concentrated in old central areas and ill served public housing on the urban periphery. In Stuttgart, with all its productive wealth, a pall of economic blight and isolation hangs over one of the major Turkish neighborhoods.

The prognosis for the future is explosive. Politicians and city builders who aspire to leadership in the new market-led global economy ignore major problems of poverty and racism. Hard pressed city managers chase high tech, capital-intensive projects, but fail to introduce long term adequately funded renewal programs. Cuts in public sector spending initiated at central government levels have a knock-on effect that intensifies social polarization and hardship in vulnerable groups.

Social relations need to be strengthened in order to favour learning and the social inclusion of young people. That means improving confidence and trust as well as communication. This issue becomes especially important in many European cities, where the existing cultural diversity in society creates conflicts and tensions among young citizens. There are a number of countries where social inclusion of youth with a migrant background or from disadvantaged minorities (in particular Roma) has so far not been successful. These minority groups have higher rates of early school leaving and often lower reading skills, mainly due to the fact that these people don't speak or understand the local language. Achieving social inclusion and equal opportunities for them is an important challenge that could be tackled by promoting intercultural dialogue and more integration of young migrant citizens. Their engagement in civic, political and community life is essential in order to achieve their fully involvement in society.

Intercultural dialogue must be seen as an opportunity to contribute to and benefit from a diverse and dynamic society, therefore, we need to raise awareness, in particular of young people, of the importance of developing an active European citizenship which is open to the world and respects cultural diversity. Participation of all in democratic institutions and in a continuous dialogue with policy makers is essential to the sound functioning of our

democracies and the sustainability of policies which impact on young people's lives.

The European Commission has identified these needs and support these ideas through a number of its programmes; Europe for citizens, 2008 European Year of Intercultural Dialogue, etc.

The involvement in cultural activities can also promote their creativity and participation, fostering active citizenship, while also promoting social inclusion and facilitating intercultural and intergenerational dialogue, which will create a wider ownership sense in the EU.

## **Methodology**

The proposal will use an **Action Learning Methodology**. Action Learning is inherently based on ensuring that the personal and social capital that participants bring will form part of the exchange and learning process. Action Learning is an organisational, problem -solving technique. Action Learning is a technique which encourages participants to learn with and from each other, in pursuit of the solutions to real-life, work - related problems. It uses problem -solving as a means towards both individual and organisational change. Action Learning also provides external inputs which reflect the needs of participants.

Action Learning is a structured way of working in groups on complex and difficult issues of practice. It is a powerful method for deepening understanding of complex problems of practice and working on ways forward. Action Learning (AL) is based on an experiential approach to learning - that is, it works with real problems and activities as raw material for analysis and reflection.

**The methodology aims to achieve two key goals:**

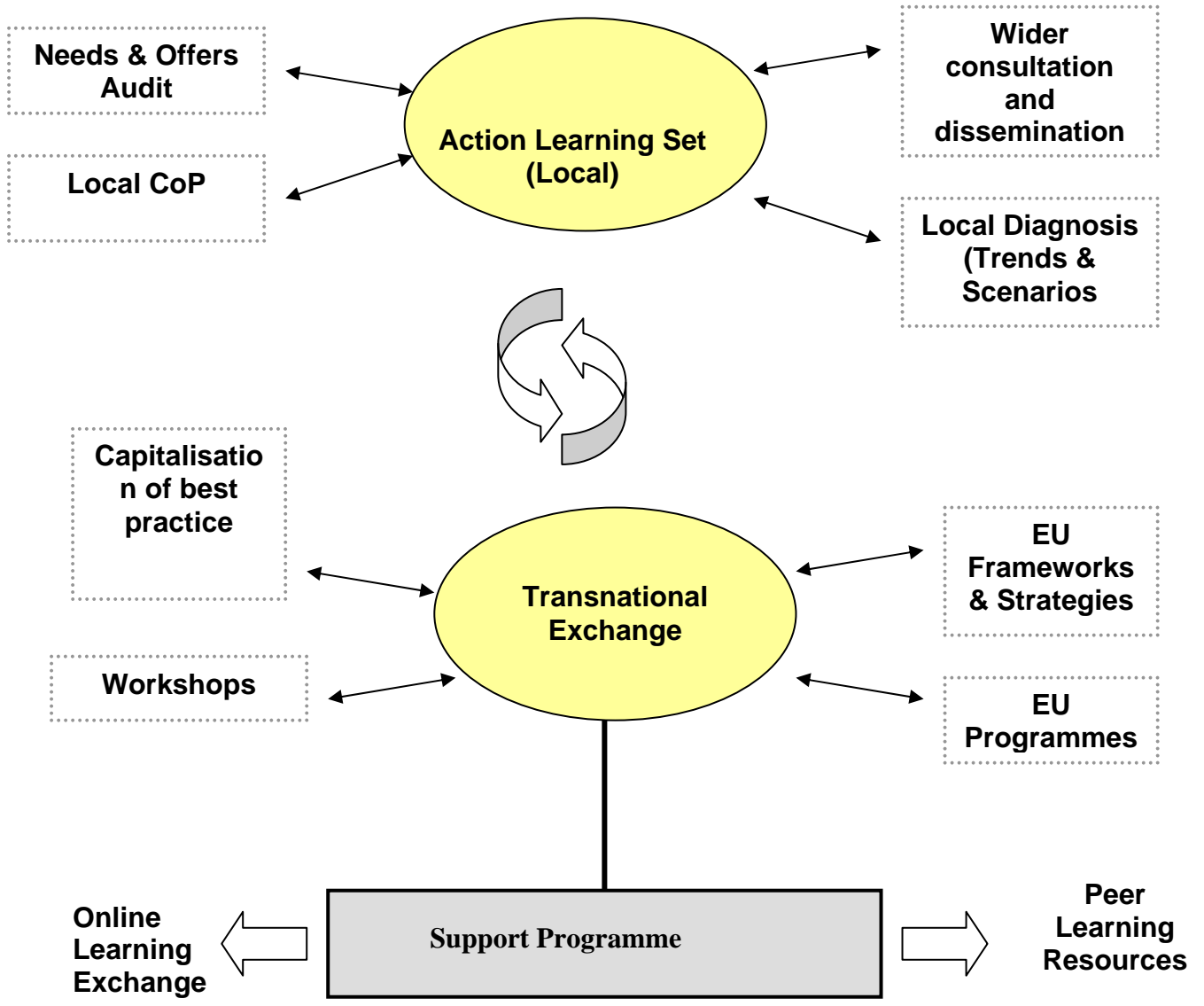
- **Maximise impact at a local level and ensure that the eventual local project proposals have wide ownership**
- **Facilitate the effective transnational exchange of experience and learning**

Each **Action Learning Set cycle** would have a duration of between 8 -9 months.

The diagram below provides a “mental map” of the project in terms of the transnational exchange programme.

The levels portrayed in the diagram are all linked to the key goal of maximising the local impact of transnational work. The levels are also

interrelated and form part of what needs to be seen as a “integrated approach”.



**IMPACT AND OUTCOMES**

This proposal will realise the following projected results/outcomes/outputs:

1. Developing a resource framework of good practice which capitalises on past and current practice and policy at a local/regional level.
2. Creating an action learning exchange for over 90 key actors from 9 regions
3. Establishment of 9 Territorial Cooperation Working Groups
4. 3 sub-theme reports
5. 3 sub-theme linked case-study reports-incorporating at least 40 case studies
6. An online programme of support relating to the specific sub-themes.
7. 9 action plans linked to funding sources at EU, National and local levels
8. Establishment on online interactive platform which will also host an ongoing community of practice at local/regional/national and EU levels
9. Dissemination of results at European regional level

**Outline Budget (Based on 24 months with 9 partners)**

**Heading 1 - Staff costs**

|  |                 |
|--|-----------------|
| <b>Management/Coordination (trans-national and national) . . . . .</b>             |                 |
| . . . . .  | <b>€420,000</b> |
| - <i>Trans-national</i>  |                 |
| Strategic Manager = € 20,000   |                 |
| Network Co-ordinator = € 70,000  |                 |
| <br>   |                 |
| <i>Technological Steward and webmaster (CoP)= € 60,000</i>                         |                 |
| - <i>Local</i>   |                 |
| <i>Territorial Co-operation Working Group Co-ordinators = € 30,000 per partner</i> |                 |
| <i>= €270,000</i>  |                 |
| <br>   |                 |
| <b>Administration. . . . .</b>   |                 |
| . . . . .  | <b>€30,000</b>  |
| Administrator = € 30,000   |                 |
| <br>   |                 |
| <b>Accounting. . . . .</b>   |                 |
| . . . . .  | <b>€30,000</b>  |
| Financial Controller = € 30,000  |                 |
| Other staff. . . . .   |                 |
| . 00   |                 |
| <br>   |                 |
| <b>Total - Staff costs.....</b>  | <b>€480,000</b> |

**Heading 2 - Travel and subsistence allowances**

|  |                |
|--|----------------|
| <b>Travel. . . . .</b>   |                |
| . . . . .  | <b>€78,750</b> |
| - <i>Travel for delegates Steering Group Meetings (1 delegates per partner+ 4 management team € 450 x 18 people x 3 SGMs = € 24,300)</i>                             |                |
| - <i>Travel for delegates for three trans-national Action Learning Sets (3 delegates per partner + 4 management team + 2 experts €450 x 33 x 3 TALSs = € 44,550)</i> |                |

-Travel for delegates Final Dissemination Conference (€450 per delegate 2 delegates per partner plus 4 Management team and two experts=€9900)

**Subsistence allowances (accommodation, meals, etc.) . . . . .**  
..... **€76,330**

- Subsistence for delegates Steering Group Meetings (1 delegates per partner+ 4 management team € 340 x 18 people x 3 SGMs = € 18,360)-two nights)

- Subsistence for delegates Trans-national Action Learning Sets (3 delegates per partner + 4 management team + 2 experts €510 x 33 x 3 TALSS = € 50,490)-three nights

-Subsistence for delegates for final dissemination Conference(€340 x 22=7480)

**Total - Travel and subsistence allowances.....€155,080**

### Heading 3 - Costs of services

**Territorial Co-operation Working Group Activities Programme. . . . .**  
..... **€450,000**

*The TCWG will have a budget of = € 50,000 per partner = € 450,000. The use of this will be to support the undertaking of activities linked to developing local/regional framework for assessment*

**Translations. . . . .**  
... **€42,188**

*This will enable each partner to translate up to 180 pages of text.*

**Reproductions and publications. . . . .**  
.. ... **€25,000**

*This will be for the production of a final report. This covers costs of design and printing*

**Interpretations. . . . .**  
.... **€48,000**

*Based on working in ALS in three languages PLUS English*

*This will be available at the trans-national workshop BUT not at SGM meetings*

*The rate per interpreter/day = 600 €*

*600€ x 8 interpreters x 3days = 14,400 € per ALS trans-national Workshop x 3 = €43,200*

*7.200 € x 3workshops total= 21.600 €*

*Final dissemination conference (€600x8=€4800)*

**External expertise. . . . .**  
... **€48,000**

*2 experts per trans-national Workshop= 12,000 € (lead expert) + 4,000 € (assistant expert) = Total = 16,000 x 3 = 48,000€*

**Other services. . . . .**  
..... **€18,300**

*Materials/ Hire of beamer/technical equipment = € 4000*

*Costs of video-conferencing (license fee) = € 14,000 for two years*

**Total - Costs of services.....€91,468**

**Heading 4 - Administration costs**

|  |                |
|--|----------------|
| Depreciation for purchase of equipment. ....       | 0.00           |
| Hire of rooms for ALS's and final conference ..... | €12000         |
| Hire of interpreting booths. ....                  | €21,000        |
| Audits .....                                       | 0.00           |
| Financial services. ....                           | 0.00           |
| Other administrative costs. ....                   | 0.00           |
| <b>Total - Administration costs .....</b>          | <b>€33,000</b> |

**Heading 5 – Overheads**

|                               |                |
|-------------------------------|----------------|
| Overheads. ....               | €15,000        |
| <b>Total – Overheads.....</b> | <b>€25,000</b> |

**Total cost of proposal.....€1,284,548**

We anticipate that the above “total cost of proposal” figure will be a maximum. At the above level, the EC would provide **€1,001,947.44** the remaining **€282,600.56** will have to be paid at *co-financing* by the 8 partners. This co-financing is based on a calculated 22% average. This will mean **€31,400.07 per partner**. However, it is important to bear on mind that this percentage may be modified depending on the actual partnership of the project . The following table shows the **minimum** budget allocation per partner:

| <b>Budget allocation per partner</b> | <b>Detail</b>                                     |
|--------------------------------------|---|
| €40.000                              | Territorial Co-operation Working Group Activities |
| €30.000                              | Coordination                                      |
| €4.600                               | Translation                                       |
| €17.000                              | Travel and subsistence allowances                 |
| <b>€91.600</b>                       | <b>Total</b>                                      |

|                   |
|-------------------|
| <b>Next steps</b> |
|-------------------|

If you are interested in this proposal please contact:

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**Closing date for submission is 5 March 2010 therefore we wish to finalise the partnership by end of January2010.**

**Partners will need to ensure that they can secure the participation of their respective Managing authority for ESF or ERDF as this is an obligatory element of the call.**

**We will send out to interested partners documentation that they have to complete.**