

SUMMARY BRIEF: Combating Youth Unemployment and Underemployment in the Mediterranean Region

Statistics alone can't tell the complete story

At face value, a high unemployment rate is an indicator relative to a lack of enough economic activities to employ the workforce in an economy. But unemployment rates don't accurately reflect the real picture of a labor market that has proven to be ineffective for gainful employment of millions of youth in the Mediterranean Region.

Constructing a Complete Unemployment Picture

Determining unemployment rates is a complicated process. Economists join labor statistic bureaus in classifying the unemployed into nice, neat categories - job losers, job leavers, seasonal or temporary job completion, new entrants and re-entrants. There is an additional category of unemployed significant to any discussion about getting people back to work and into a revenue stream – that is the group of people who are not employed and have not been actively looking for workwage employment or who have stopped looking. These include NEETS ("Not in Education, Employment, or Training"), people from traditionally disadvantaged groups such as women who have been rearing children and the disabled, both economic and political refugees to a region, as well as those without the needed skills demanded by the 21st Century workforce.

A final category of lost workwage-earners is especially troubling – the underemployed: those who cannot find gainful employment in the sectors in which they were trained as professionals. Underemployment has had a profound influence on the changing demographics of society, especially in struggling economies. Statistics alone cannot reflect the serious underemployment present in the Mediterranean Region, where qualified professionals must seek employment in sectors other than where their qualifications are centered, are forced to work in informal and/or in a string of part-time jobs, or switch careers to work in relatively low-skilled, low-wage jobs. It is common to hear about the architect working as a tour guide or the engineer waiting tables. Underemployment creates especially dire circumstances for immigrants, refugees and new graduates who are unable to work in their chosen profession or lack experience demanded by employers. The underemployed are the underpinnings of the "grey economy" of under-the-table workers and other black market jobs that don't show up in official labor market statistics.

Some of the worst repercussions of the 2007–2008 financial crisis that hit young people with a punch were acutely felt by the unemployed and underemployed. A combination of the

lingering effects of this decade-long economic upheaval and the crash of major sectors like housing and construction, coupled with imposed austerity measures and an unprecedented influx of immigrants and refugees may have forced a generation of young workers out of employment, effectively eliminating job stability, which plays a central role in determining an individual's choices about their work and life careers. These factors have also contributed to the "brain drain" of qualified workers leaving their homeland for employment opportunities in other more prosperous regions of Europe and abroad.

Exacerbating the situation is the culture of low-pay in many Mediterranean Region countries. Here, salaries are typically so low and labor laws so scarce or easily skirted that young workers are rarely able to support themselves or raise a family, become a homeowner or plan for retirement, let alone contribute to society, while earning below-average wages and working an excessive number of hours, oftentimes without benefits.

For many unemployed and underemployed, hopelessness sets in as the period of job search drags on, causing serious economic, psychological and even physiological impact that manifest in a loss of skills, changing lifestyles, depression and a series of health challenges that can lead to drug use and addictions as well as to broader societal unrest and civil disturbances. Very high unemployment rates in the Mediterranean Region indicate that these countries are under huge economic problems constituting common challenges that must be addressed at cross-border levels, as the effects of youth unemployment are a serious threat to development as well as to social and economic cohesion in the region.

Cooperation between Europe and Middle East/Northern Africa Countries

According to World Bank data in the World Development Indicators, countries with coastlines on the Mediterranean (Med countries) have an average unemployment rate of 12.5 percent; the unemployment rates for young people, however, are much higher. Med countries

have an average youth unemployment rate of 26 percent, with European Med countries at 28 percent and MENA (Middle East and Northern Africa) Med countries at 24 percent. Individual countries and geographic areas within this region are in dire situations regarding youth unemployment. Eurostat reported that in May, 2017, the youth unemployment rate in Spain was 38.6 percent compared to 16.9 percent in the EU28 and 18.9 percent in the Euro area. In July, 2016, Greece had a youth employment rate of 43.8 percent and Italy 38.4 percent, with Cyprus reporting a youth unemployment rate over 25 percent.

MENA countries fare as poorly or worse, exacerbated by the region's unrest, particularly that rooted in wars that have been taking place over prolonged periods of time, as well as recent conflicts such as the Syrian war. Lebanon has the highest number of Syrian refugees in the world per capita, many of whom are women and children. According to the latest World Bank study published in the Lebanese daily al-Akhbar, unemployment in Lebanon is at an all-time high, especially among the youth population. Prior to 2012, the overall unemployment rate stood at 11 percent, with 34 percent of the country's youth affected, 18 percent of whom were women. The influx of refugees into Lebanon has increased general unemployment to 35 percent. Similar stories are told about the areas of Gaza and Palestine. According to the Palestinian Central Bureau of Statistics, the youth unemployment rate in 2016 reached 39 percent. The highest unemployment rate was among 20-24 year-olds, reaching 43 percent, compared to 39 percent for 25-29 year-olds. At 41.8 percent, the female youth unemployment rate is more than double the male youth unemployment rate of 18.7 percent. The highest unemployment rate among youth school drop-outs reached 55 percent. While a "School-to-Work Transition Survey" conducted by the Jordanian Department of Statistics reported the youth unemployment rate in the Kingdom as slightly lower than other countries in the region, it still reached 24.1 percent at the time of the survey (2012-2013) – almost twice the global average.

Tackling serious job deficits faced in the Mediterranean Region

As a response to the challenges faced in an area that has been shaken by an outbreak of events that impede economic stability and social cohesion, the Mediterranean Sea Basin Programme (MSBP) was established. The MSBP's newest programme, the Cross Border Cooperation (CBC) Within the European Neighbourhood Instrument (ENI), was approved to tackle serious job deficits faced in the Mediterranean Region through a series of strategies and overarching objectives and priorities.





ENI CBC Med 2014-2020 Strategy of the Joint Operational Programme

Overarching objectives	Thematic objectives	Priorities
Promote economic and social development	Business and SMEs development	Support innovative start-ups and recently established enterprises, with a particular focus on young and women entrepreneurs, and facilitate the protection of their intellectual property rights and commercialisation where applicable
		Strengthen and support euro-Mediterranean networks, clusters, consortia and value-chains in traditional sectors (agro-food, tourism, textile/clothing, etc.) and non-traditional sectors (innovative ideas solutions for urban development, eco-housing, sustainable water-related and other clean technologies, renewable energy, creative industries, etc.)
		Encourage sustainable tourism initiatives and actions aimed at diversifying into new segments and niches
	Support to education, research, technological development and innovation	Support technological transfer and commercialisation of research results, strengthening the linkages between research, industry and other private sector actors
		Support SMEs in accessing research and innovation, also through clustering
	Promotion of social inclusion and fight against poverty	Provide young people, especially those belonging to the NEETS, and women, with marketable skills
		Support social and solidarity economic actors, also in terms of improving capacities and cooperation with public administrations for services provision

Creating jobs is one of the biggest challenges facing the area, with growth and innovation led by the private sector being key to combating youth unemployment and underemployment in the Mediterranean Region. The current labor market, however, has proven ineffective for gainful employment of millions of youth, ages 24-32. Policymakers have attempted to respond to the challenges by promoting entrepreneurship because of its possibilities of creating employment growth and reducing unemployment. Although entrepreneurship is often portrayed as a risky, unstable career choice, an increasing number of policies have been developed that are aimed at subsidizing entrepreneurship for potential job stability as a desirable outcome in local labor markets. Research suggests that entrepreneurship is in fact associated with greater employment stability.

Current-day hiring processes and labor market reward systems are based on specialized knowledge of an employee; most entrepreneurs, on the other hand, become generalists as they gain experience in a larger set of skills and job roles. What is lacking in the support of individuals on the path toward entrepreneurship is a comprehensive training mechanism to acquire the myriad skills needed to be a successful entrepreneur and fully comprehend the entrepreneurial venture from ideation to startup. Currently, there are many higher-education courses that combine standard business teachings with innovation and entrepreneurship, as well as a few single courses on varying aspects of entrepreneurship. In fact, it is possible to graduate with a Bachelor's, Master's and even Doctoral degree in entrepreneurship, even if these do come with an elevated price tag. The E-Incubator for Young Entrepreneurs, EYEMED, proposes to change the existing situation by providing entrepreneurship training on young people's readiness to engage in entrepreneurial activity as a critical component behind successful startups, where young individuals are able to develop their entrepreneurial ability and create a revenue stream as self-employed or members of a start-up enterprise in lieu of joining the wagework labor market.

The EYEMED Solution to Combatting Unemployment and Underemployment in the Mediterranean Region

EYEMED - The E-Incubator for Young Entrepreneurs - was developed in response to the call to fight unemployment and underemployment issued by the MSBP's newest programme, the ENI CBC Med. EYEMED consists of three basic components:

- 1. Online curricula help beneficiaries hone skills needed to envision/execute a start-up enterprise that establishes a revenue stream through entrepreneurship, serving as a virtual incubator to nurture start-ups from ideation to launch;
- 2. Train the Trainer in-country workshops with access to online learning in multiple languages that can be incorporated into current efforts to assist local beneficiaries create businesses
- 3. Virtual Badges make skills acquired through the coursework more clearly understood by employers, facilitating the mobility of both learners and workers

Final beneficiaries include:

- Young people between the ages of 24-32 who are unemployed/NEET, underemployed or a member of a vulnerable social group such as women and the disabled;
- Staff and service providers with enhanced skills and knowledge to help their clientele become successful in entrepreneurship endeavors;
- Market segments that benefit from the introduction of products and services resulting from the activities supported under EYE.

- Research entities contributing data for improved public policy in regards to the labor market and a disruption in market segments through the introduction of new products and services resulting from entrepreneurial enterprises.

One of the primary objectives of EYEMED is to develop a foundation of understanding about the youth unemployment/ underemployment crisis as it affects the regions in which our project will be implemented. The EYE – E-Incubator for Young Entrepreneurs Project addresses the thematic objectives of the ENI CBC Mediterranean Sea Basin Programme for Business and SME development to promote social inclusion and support the fight against poverty while supporting NEETS (Not in Education, Employment or Training).

Young people can be taught to become entrepreneurs and self-employed, a significant source of jobs and economic growth, by engaging in active learning. There are, however, few if any online curricula available that encompass a comprehensive overview of entrepreneurship to impart knowledge and skills entrepreneurs need to succeed. The EYE solution addresses this dearth of learning resources by developing online courses made available through a learning platform and virtual classrooms, accessible through the Internet. Activity will be coordinated through the iPortal (http://iportal4languages.eu/), a virtual platform that integrates the most contemporary tools for online training, including WEB2 technology for virtual classrooms, social networks, Internet radio, mobile applications, etc. The iPortal platform connects people for interaction in the most effective way – through the Internet, which eliminates the need for students to travel to traditional brick-and-mortar learning centers and engages both students and instructors through tried and true methodologies of distance learning, and mitigates against obstacles that prevent people from face-to-face interactions. The iPortal supports a learning management system that brings together voice, video, data, and graphics in a structured online learning environment that scales to hundreds of supported users - a turnkey solution to elearning problems. iPortal was especially designed for individual teachers and trainers to arrange

group or private classes over the Internet in a state-of-the-art virtual classroom environment. Web 2.0 technology supports innovative tools for teacher-driven, student-centric solutions to people throughout the world. Features of the iPortal E-learning Platform include:

- * Virtual Classrooms, with up to ten whiteboard pages, file transfer and capabilities to embed multi-media presentations. Whiteboard features include type text, and launch images and slides. Share documents PowerPoint, PDF, DOC, XLS, TXT and other common document types. Use markup and annotation over slides and pages. Launch files and broadcast images synchronously and in real time.
- * Videoconferencing functions for synchronous interactions with Session Recording and Playback features for asynchronous learning. Instructors can record live sessions and meetings to reiterate a lesson, for quality control and archiving and for evaluation functions of student learning.

The EYEMED Training Model

/The coursework is divided into four modules taking place over a two-year period:

- CONCEPTS AND PREPARATION Courses designed to lay the foundation for a deeper understanding of entrepreneurial success
- 2. COMMON COURSES—Focusing on the specifics of a successful entrepreneurial venture
- SPECIALIZATION TRACKS Specific needs of entrepreneurs in specialized industries, sectors or themes
- 4. LOCALIZED COURSES These courses will focus on content with a country-specific impact or control

The fifth module, an Internship / Consulting Project, will allow students to put their coursework learning into practice with a consulting project to work with external "clients" to address a business challenge in their field of interest.

Additionally, EYEMED has devised a digital badging system to augment credentials authenticated by the Europass, that verifies mastery of skills related to entrepreneurship to be clearly understood by potential employers. The digital badging system follows the guidelines of Mozilla's Open Badges Project, an Information & Technology industry standard to recognize achievements and talent. EYEMED participants will be able to earn their badges by mastering the different coursework content and completing their internship / special project. Badges are digital emblem that symbolize skills and achievements, easy to share on social media. Thousands of organizations across the world issue Open Badges, from major employers to technology enterprises, non-profits to educational institutions at every level.

The key to EYEMED's success is in its partnerships with "boots on the ground" that combat unemployment and underemployment in the areas targeted to implement the project. An important objective of EYEMED is to capture learning to make recommendations both to the partners and to other parties interested in implementing similar projects in other regions facing high youth unemployment and underemployment. Additionally, recommendations can be generated for upgrading human resources skills within local, regional and national entities sponsoring back-to-work training and supporting entrepreneurship. In partnering with public sector and nonprofit back-to-work schemes, EYEMED complements institutional mandates that promote both training activities and those aimed at new and emerging sectors of markets that facilitate young people's entry into the workforce and in producing products and services through entrepreneurship. These partners provide services related to the pre- and post-incubation phases like coaching activities, guidance and advice, business modelling, and networking, as well as access to local venture capital and funding. Partnerships with universities, research centers, and

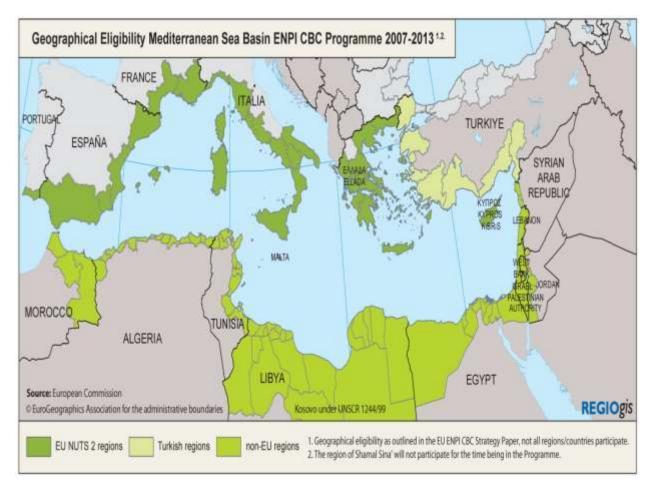
institutional agencies support an entry point for EYEMED curriculum at varying levels, for example in centers of innovation, entrepreneurial research and development centers, departments of related learning (i.e. professional studies, business, etc.) and others. The skills and capacities of partners' staff are enhanced to provide service to their target clientele through EYEMED's "train the trainer" workshops.

The project will have produced valuable documentation, material and reporting templates that can be used in similar training project and sector outcomes and is expected to create a professional network and Community of Practice (COP) for those working to reduce youth unemployment and underemployment as well as identify new opportunities for collaboration in both regional and international contexts. EYEMED partners will be convened through the COP, a virtual meeting place where they can share experiences, technical knowledge or skill associated with undertaking the project's tasks. resources and mentorship in improving their professional capacities in the provision of services to their clientele, as well as access a shared repertoire of communal resources (research, methodologies and artefacts, curricula and material, shadowing, etc.) that members have developed over time. This Community of Practice also serves to convene the group on a regular basis to monitor the progress made through the two-year programme, create a sense of joint enterprise and identity by being organized around common goals, objectives and envisioned outcomes, design a shared repertoire of ideas, commitments and memories and develop a set of relationships that will last beyond the life of the project.

EYEMED Impacts

By creating pilots in specific geographic areas within the eligible territories of the overarching ENI CBCMed Programme, we are able to bring together diverse organizations, educational institutions and public/private sector entities to work together on combating youth unemployment and underemployment in their region. To meet the ENI CBCMed Programme

requirements, a mix of EU Med countries and MENO Med countries should form the EYEMED Consortium.



The EYEMED project would be implemented in specified regions meeting eligibility requirements of the ENI CBC Med Programme. Programme implementation can be targeted to a geographic-specific area (i.e. from the list of eligible territories per countries in core eligible areas) or toward an area in which several eligible territories in a single country (i.e. Andalucia, Catalunia, Comunidad Valenciana, Murcia, Islas Baleares, Ceuta, Melilla in Spain, for example) wish to collaborate. These groupings would constitute the project's pilots. The budget to support individual partners in the project would adhere to a formula determined by the EYEMED steering committee prior to inviting partners to join the consortium.

The criteria for joining the consortium should include:

- Possessing an institutional mission to combat unemployment in a defined geographic region;
- Institutional capabilities and mechanisms in place for recruiting, monitoring and certifying participants to the training component of the project, as well as those required to provide pre- and post- incubation activities such as coaching activities, guidance and advice, business modelling, and networking, as well as access to local venture capital and funding.
- Support education and training as a core business/mandate to implement training activities and skills acquisition.
- Organizational development capacities for research, project evaluation and quality control.
- Belong to a network of local, regional, national and international contacts that might lend support to the project.
- Possess the human capital for project management, communication and dissemination of the project's results to a wide audience and different stakeholders.

Learning outcomes from EYEMED should be applied by the partners within their own organizations and networks thereby boosting the impact of the project and gaining a better understanding of the issues surrounding youth unemployment and underemployment.

An evaluation of the project would show the extent of how well the proposed idea/solution/technology met the challenges detailed in this Summary Brief, and whether it produced the desired impact. Baseline surveys would be produced utilizing standard survey designs and methodologies with the aim of strengthening capacity within targeted regions and their supporting institutions towards tackling the serious job deficits through the development of entrepreneurial endeavors. Under this framework, the baseline survey's overall objectives is to

obtain better understanding of socio-economic situation of the region where the EYEMED project will be implemented, collect baseline data for targeted outputs, which will provide the basis for progress monitoring and evaluation, and provide a foundational basis against which progress in achieving the project's goals and objectives can be measured. Results of the surveys will contribute to the body of knowledge related to the areas constituting our pilots.

The evaluation should highlight the potential of the proposal to address future/ wider challenges in the area youth unemployment and underemployment in the Mediterranean Region by promoting and supporting entrepreneurship. In terms of sustainability, an evaluation should discern the extent to which the EYEMED approach demonstrates commercial feasibility, and whether it is has a realistic commercialisation plan to replicate in other regions.

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